

IN THE DISTRICT COURT OF GUAM

UNITED STATES OF AMERICA, )

CIVIL CASE NO. 02-00022

Plaintiff, )

RE: STATUS HEARING

v. )

QUARTERLY REPORT OF THE RECEIVER

GOVERNMENT OF GUAM, )

April 16, 2009

Defendant. )



Presented to  
Chief Judge Frances Tydingco-Gatewood  
U. S. District Court of Guam

**GBB**  
SOLID WASTE  
MANAGEMENT  
CONSULTANTS  
RECEIVER

Presented by  
Gershman, Brickner & Bratton, Inc.

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# Quarterly Report of the Receiver

Civil Case No. 02-00022

United States of America v. Government of Guam  
Guam Solid Waste Management Division

Prepared for:



U.S. District Court of Guam

Submitted by:



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April 16, 2009

Printed on recycled paper

**Civil Case No. 02-00022**  
**United States of America v Government of Guam**

**Solid Waste Management Division**

Pursuant to the Order of the District Court of Guam (Court), dated March 17, 2008, appointing Gershman, Brickner & Bratton, Inc. (GBB) as Receiver for the Solid Waste Management Division (SWMD) of the Department of Public Works of the Government of Guam, we are pleased to submit to the Court this Quarterly Report ("Report"). The purpose of this Report is to describe to the Court the progress made toward compliance with the Consent Decree since the third Quarterly Report filed with the Court on January 14, 2009, and to outline the Receiver's recommendations for achieving compliance with the Consent Decree. To complement this Report, the Receiver is also submitting the presentation entitled "Quarterly Report for Receivership for the Government of Guam, Department of Public Works, Solid Waste Management Division" (see Tab 2).

**Introduction**

This Report coincides with one year of work for the Receivership, and it is appropriate to briefly review what has been accomplished during the first year before turning to an in-depth discussion of the quarter that ended March 31, 2009. The Receiver's first year of the work has been eventful and one of accomplishment, highlighted by major achievements, including:

1. Improved trash collection services, which have dramatically reduced customer complaints;
2. Repaired vehicles and purchased new equipment to support operational needs;
3. Reduced the number of SWMD employees by more than 25 percent as operations were reorganized and streamlined for more efficient organization and delivery of services;
4. Achieved significant savings as a result of dramatic reductions in leased equipment and personnel;
5. Dramatically improved working conditions for SWMD employees with working showers and kitchen facilities; provided safety shoes and uniforms;
6. Improved dust and odor control at the Ordot Dump operations, benefiting neighbors and workers;
7. Implemented a ban on materials at the Ordot Dump that has increased recycling and extended capacity of the Ordot Dump;
8. Added recycling at the Ordot Dump and transfer stations;
9. Received approval of the required rezoning for the Layon Landfill site;
10. Completed the Hydrogeologic Assessment, which has been approved by Guam EPA;
11. Received approval for initial building permits for the Layon Landfill;
12. Established cost estimates for Consent Decree projects and established a construction schedule that has been approved by the District Court;

13. Developed and approved a process to acquire all needed permits;
14. Began construction of Layon Landfill with earthworks contract awarded to Maeda Pacific Corporation;
15. Receiver Trustee Account established and \$25 million deposited as of March 31, 2009, to fund Consent Order projects;
16. Established effective communication with the Military to encourage the Military's potential use of the Layon Landfill;
17. Completed plans for new residential waste collection services and initiated procurement to implement these plans; and
18. Established regular communications with the media and public via [www.guamsolidwastereceiver.org](http://www.guamsolidwastereceiver.org) and ongoing media relations.

These accomplishments would not have been possible without the support of the District Court, the hard work and dedication of the employees of the SWMD, and the cooperation of the Governor and his Administration. We are now poised to make even more progress in the second year of our work for the Court and the people of Guam.

We will now turn our attention to a more in-depth discussion of the work completed in the quarter ended March 31, 2009. Since our last quarterly report, we have advanced efforts to bring Guam into compliance with the Consent Decree. There has been major progress in the design, permitting and construction of the Layon Landfill. In addition, the SWMD has made significant improvements in service and efficiency, as well as progress in Court-approved plans to implement a new trash cart collection system. In the financial area, we have monitored capital funding issues, analyzed SWMD expenses and revenue collections, and projected financial results and cash needs going forward. In this Report, we present the following updates for January – March, 2009:

- 1. Consent Decree projects (January – March 2009);**
- 2. Operations of the Solid Waste Management Division;**
- 3. Trash cart rollout plan;**
- 4. Community outreach**
- 5. Financial issues; and**
- 6. Next steps.**

## **1. Consent Decree Projects (January – March 2009)**

### **Design**

#### ***Landfill Liner Systems and Entrance Facilities (Phase II)***

During the quarterly period, the 90% Design Submittal for the Layon Landfill Liner Systems and Entrance Facilities (Phase II) was under review by the Guam Environmental Protection Agency (GEPA) as part of the resubmittal of the Solid Waste Management Facility Permit application. This is the primary component of the solid waste facility permit package, providing all the systems for the waste management units, Cells 1 and 2, at the facility. On March 20, GEPA and EPA gave the Receiver their comments on these documents, which we directed the design consultant, TG Engineers, PC, to address. The next steps and the process of addressing these comments are discussed in more detail in the Permitting section below.

#### ***Access Road and Utilities***

TG Engineers, PC submitted for design review the 90% Design Submittal of the Sewer line from the landfill site to the Inarajan Wastewater Treatment Plant (WWTP). These plans require a final review by Guam Waterworks Authority (GWA) and GEPA before they are submitted for a construction building permit. This design submittal is not part of the Solid Waste Facility Permit application; however, the utilities are components that must be constructed and in place for the operation of the landfill waste management units. The Receiver made these design documents available to GWA and GEPA for review on the Receiver's Web portal on March 29, 2009. The design consultant, TG Engineers, PC, will continue to follow up with the Government agencies to obtain their comments. The next step for this design package is to put it out for construction bid procurement with the Access Road and Utility Plans.

#### ***Leachate Treatment Feasibility Study for the Inarajan Wastewater Treatment Plant (WWTP)***

During this quarter, the Receiver initiated the leachate treatment feasibility study for the Inarajan WWTP. The study's scope of services includes the following tasks:

##### ***Review and Planning –***

1. Coordinate with Guam Waterworks Authority (GWA) to address rules pertaining to the discharge to the wastewater collection system, as well as GEPA and EPA regulations for the management and treatment of leachate.
2. Review and assess Inarajan WWTP's current influent loading, current operating data, and current treatment plant performance, based on existing data.
3. Obtain leachate quality data to predict expected leachate quality. This data will be obtained from tropical environments, including Andersen Air Force Base, Commonwealth of the North Mariana Islands, City and County of Honolulu, and County of Maui.
4. Meet with GWA to affirm requirements for discharging leachate to the Inarajan WWTP and to review study approach. Conduct meeting with Guam EPA to discuss and affirm requirements for leachate management and treatment.

***Evaluate Leachate Treatment Alternatives –***

5. Conduct a two-week bench scale treatability study to determine the ability of the Inarajan Wastewater Treatment Plant (WWTP) to treat leachate and the potential inhibition of the leachate. This task will include screening-level treatability testing to be conducted over a period of two weeks in order to identify appropriate pretreatment and the likely impact of the leachate (if any) on the Inarajan WWTP's ability to treat wastewater.
6. Assess capability of Master Plan improvements for the Inarajan WWTP to accommodate leachate load as the landfill expands and matures.
7. Evaluate alternatives for pretreatment and/or treatment of leachate at the Inarajan WWTP site based on the phased expansion of the landfill.
8. Evaluate alternatives for pretreatment of the leachate using the Master Plan future design capacity, and disposal using the existing percolation system.
  - a) Evaluate alternatives for expanding the Inarajan WWTP and percolation system to accommodate the leachate load without pretreatment, if necessary.
  - b) Evaluate alternatives for full treatment, including pretreatment, of the leachate at the Inarajan WWTP and pretreatment only at the landfill site, and disposal using the existing percolation system at the Inarajan WWTP.
  - c) Develop planning-level life cycle cost estimates for the alternatives.

***Recommendations-***

- 9. Prepare a draft feasibility report that compares the alternatives evaluated.**
- 10. Provide recommendation and the basis for one of the three alternatives.**
11. Submit a draft report to GWA, GEPA and EPA. Incorporate comments from these agencies into a final draft report and submit to the agencies for final approval.

The next steps in addressing the pretreatment of leachate are to design the preferred alternative, and begin the permitting and bid procurement processes for the construction. The anticipated timelines for these tasks are presented in the updated project schedule below.

**Project Schedule Updates**

The project schedule deadlines, presented in Table 1, reflect the progress and changes that have occurred since the last update was presented in the January 14, 2009 Quarterly Report to the Court. The updated project schedule incorporates these updates and the GEPA Solid Waste Facility permit processing schedule, as reported to the Court in early February. The table below identifies those project task completion dates for the Layon Landfill work that have shifted as a result of events that have transpired since October 2008. At the time of the preparation of this report, the Receiver, in consultation with the design consultant, TG Engineers, PC, understands that the anticipated early construction completion date for Cells 1 & 2 is unchanged as presented in Table 1.



**Table 1.  
Project Schedule Deadlines**

<b>Task</b>	<b>Estimated Completion Date (October Report)</b>	<b>Revised Estimated Completion Date</b>	<b>Actual Completion Date</b>
GEPA Clearing & Grading Permit	1/2/09		12/23/08
DPW Building	1/2/09		1/13/09
Earthwork Construction Cells 1 & 2	7/6/09	9/22/09	
Landfill Liner System Pre-Final Design	12/24/08		2/05/09
Bid Review & Award (Landfill Liner System)	4/30/09	8/7/09	
Permit Phase (Landfill Liner System)	4/30/09	8/29/09	
Construction Phase (Cell 1)	9/1/10	9/1/10	
Construction Phase (Cell 2)	7/26/11	7/26/11	

### **Permitting**

#### ***Solid Waste Facility Permit for Construction***

The Receiver continued to coordinate with GEPA and EPA as they conducted their review of the Solid Waste Management Facility Permit application and/or the supporting technical documents. Throughout the review period, which ended March 17, 2009, the Receiver responded to GEPA's preliminary review comments to help facilitate responses/clarifications. GEPA and TG Engineers, PC, held regular technical teleconferences to answer GEPA staff's questions during their review of the documents and to assist with GEPA's review of the Site Specific Groundwater Monitoring Plan. GEPA made an effort to prioritize the review of this document in order to help the project move ahead with the installation of groundwater monitoring wells at the earliest possible opportunity.

During this quarter, the Receiver also worked with GEPA and EPA to facilitate a revised permit processing schedule that would provide additional time for GEPA to prepare a draft permit and for the permit and design consultants, TG Engineers, PC, to address and incorporate comments, as necessary, into the permit and supporting documents. The revised permit processing schedule, formally approved by the Court, still targets August 27, 2009, for a Notice of Decision, which will signify approval of the Solid Waste Management Facility Permit for construction. The final operational permit approval is conferred upon the facility when the liner system is installed and the facility is ready to accept waste.

During this next quarter the following permit milestones are anticipated:

1. April 20, 2009 - GEPA comments to be addressed and incorporated, as necessary, in order to facilitate final review by GEPA/EPA;
2. April 29, 2009 - A letter of Technical Adequacy is anticipated to be issued by GEPA; and



3. May 22, 2009 - The final version of the permitting documents, to be generated by TG Engineers, PC, is due to GEPA so that the Draft Permit issuance and public comment period can begin on or about May 29, 2009.

As the Court knows, the design of the landfill already has significant redundancy included. The initial comments from the reviewers indicate that they may require additional redundancy to be added. If they do add such additional requirements, the cost will increase and the design time will also be affected. We are working with Guam, U.S. EPA and the design team to evaluate these issues, and we will keep the Court fully informed.

#### ***Construction Permits – Earthwork Related***

The Receiver also supported efforts by the permit consultant (TG Engineers, PC) to satisfy GEPA's building and construction permit requirements and other agency conditions related to the permit for the mass earthwork for the landfill's operations road and Cells 1 & 2. This support consisted of regular correspondence with GEPA and consultation with TG Engineers, PC, related to the GEPA permit conditions, including erosion and sediment control requirements, water quality monitoring plan, well abandonment permits, Department of Agriculture re-vegetation plan, bird monitoring and Historic Preservation Office Archaeological construction observation.

#### ***Final Integrated Hydrogeologic Assessment***

GEPA issued its final approval of the Integrated Hydrogeologic Assessment on March 20th. This document clearly indicated that the Layon Landfill is not a drinking water resource for Guam. The Integrated Hydrogeologic Assessment provides guidance for the designers of the new landfill to ensure that the water in the vicinity is protected in accordance with all applicable environmental standards. The Assessment is a living document for the site in that its groundwater model will be continually updated and refined as operational groundwater monitoring data are gathered in accordance with GEPA regulations and permit conditions. The document also serves as the basis for all future hydrogeologic evaluations that will be performed at the site for construction of new cells.

#### **Construction**

During this period, there has been significant progress in the construction of the Cells 1 & 2. The following tasks highlight the Receiver's progress:

1. Completed the bid phase for the construction of Cells 1 & 2 and awarded the construction contract on January 29, 2009;
2. Initiated construction with a Notice to Proceed on February 25, 2009;
3. Contractor mobilized to the site through March 11, 2009;
4. Installed environmental controls, including erosion and sediment controls;
5. Flagged project site wetlands for identification and protection;
6. Conducted regular bird surveys, according to the Department of Agriculture's permit requirements;

7. Initiated full-time archaeological observation, in accordance with Department of Recreation, Historic Preservation Office requirements;
8. Initiated construction management services, providing construction administration, construction observation and quality assurance services; and
9. Initiated weekly construction meetings held with contractor, construction manager and Receiver representative to track progress.

As of March 31, 2009, one month into the seven-month schedule (210 days), the project is approximately 4 percent complete relative to a construction target goal of approximately 9 percent according to the contractor's latest construction schedule. We are working with the construction manager and contractor to address production issues and will keep the Court fully informed on progress.

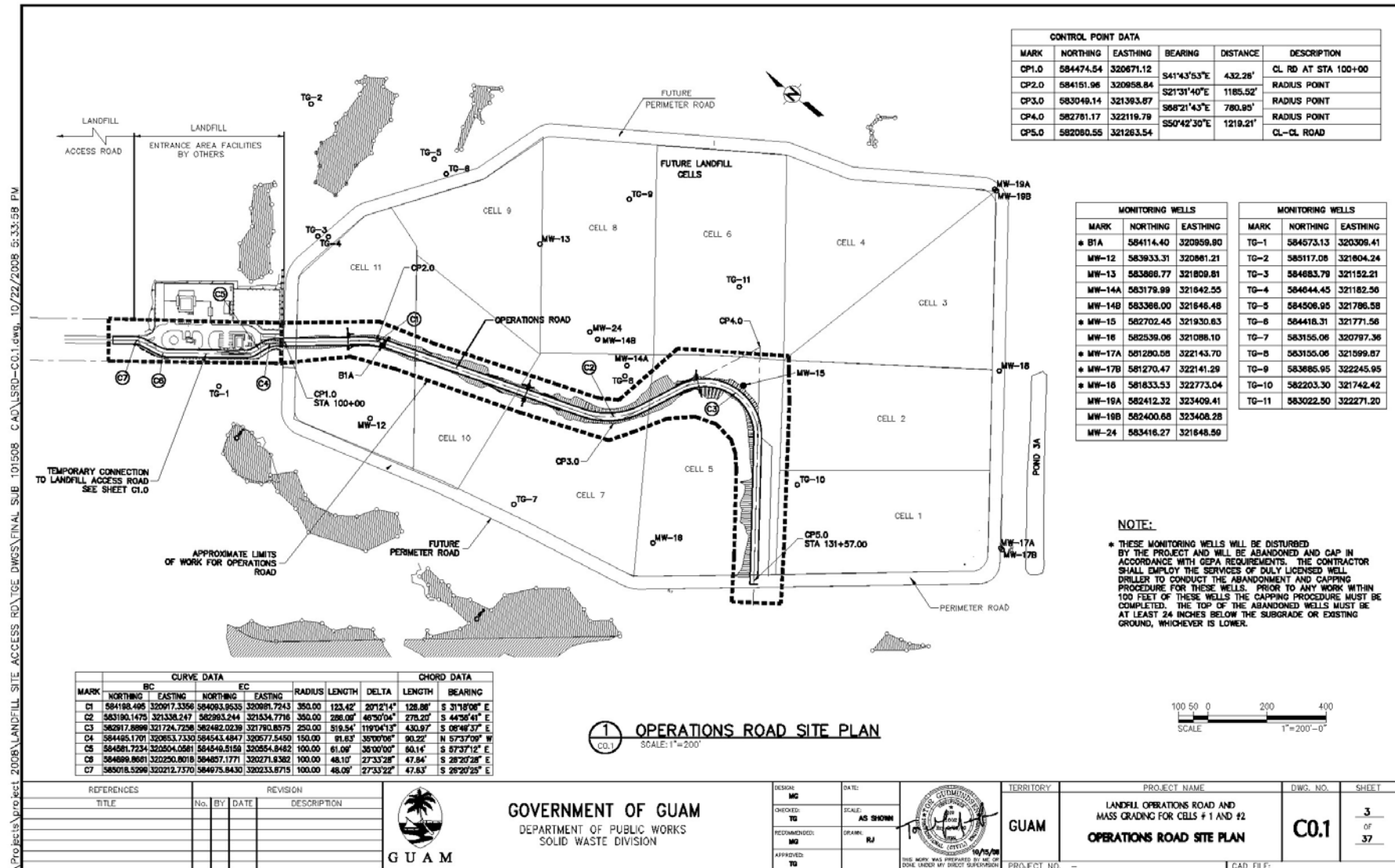
#### ***Landfill Operations Road***

One of the two primary construction projects is to build an operations road from the future entrance facilities area where the weigh scale will be at the north end of the site to Cells 1 & 2 at the south end of the site (Figure 1). The road is approximately 3,150 feet in length and requires approximately 100,000 cubic yards of material to be excavated and placed along its length, in addition to multiple stormwater conveyance structures for stormwater management.

#### ***Cells 1 & 2 and Pond 3A***

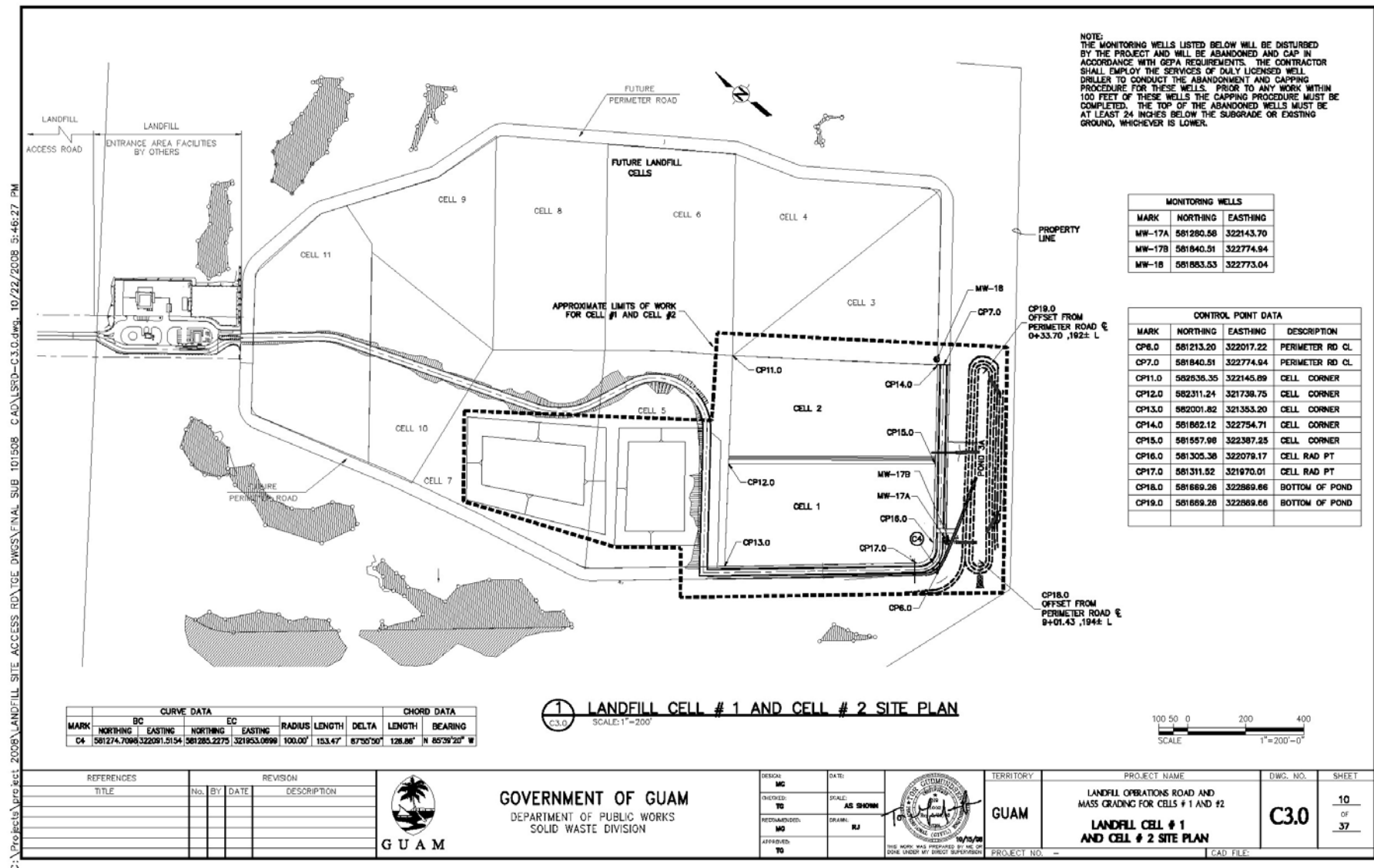
The second area of primary construction is the excavation of the area comprising Cells 1 & 2 and the stormwater management pond 3A (Figure 2). The cells and pond comprise approximately 24 acres, and their construction requires about 800,000 cubic yards of material to be excavated and placed into two stockpiles for long-term storage for future landfilling operations. In addition to moving the material, this task involves construction of several stormwater management structures and the installation of approximately 5,000 linear feet of permanent chain-link safety fence.

**Figure 1.**  
**Landfill Operations Road Site Plan**



None of the activity is within wetland areas of the site.

**Figure 2.**  
**Excavation of Area for Cells 1 & 2**



None of the activity is within wetland areas of the site.

### ***Temporary Erosion and Sediment Controls***

Prior to any work commencing at the site, the contractor developed an environmental protection plan to prevent construction activities from impacting the environment outside of the limits of construction. In coordination with GEPA, the contractor installed silt fences, and checked dams and other controls, which were inspected and approved by GEPA. The temporary environmental controls will be maintained and monitored throughout the duration of construction activities.

## **2. Operations of the Solid Waste Management Division**

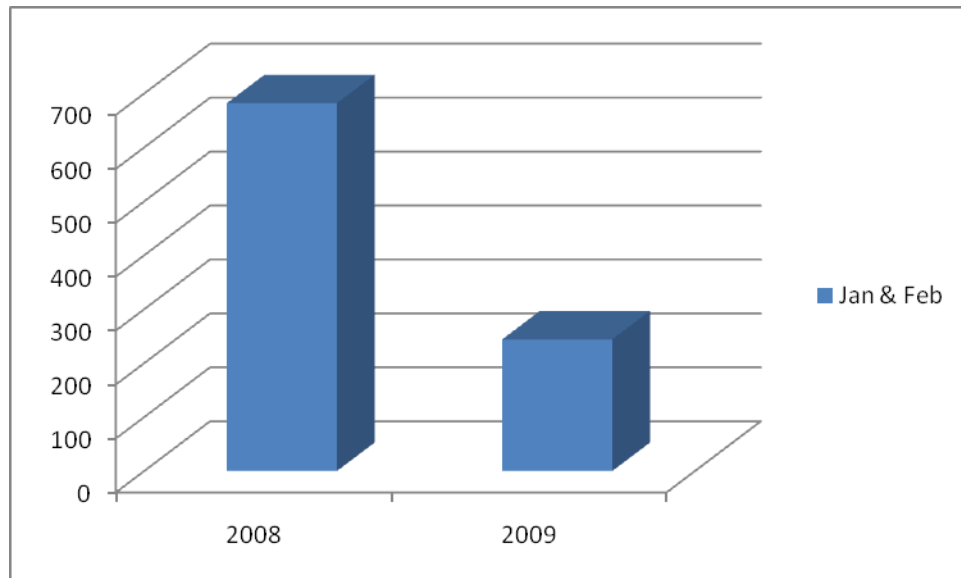
### **Improved Service and Efficiencies**

The SWMD has become more efficient by every measure, and service to its customers has improved in reliability and customer friendliness. In both the October 22, 2008 and the January, 14 2009 reports to the Court, the Receiver discussed improvements in equipment, employee morale, and operational efficiency. This past quarter, the SWMD is seeing these changes result in fewer complaints to its customer call center. As the Court may recall, the Receiver was appointed at a time when the SWMD had only one working trash truck to collect nine daily routes. The SWMD rented two trash trucks from the private sector that often failed mechanically. The result was a three-shift day where the SWMD's sole working trash truck operated nearly around the clock in order to collect the day's routes. Many customers came to expect their trash collection to occur late at night, rather than in the morning when it should have been collected.

The Governor's Emergency Procurement Declaration allowed the Receiver to procure three new trash trucks and contract with a private maintenance contractor to rehabilitate the SWMD's nine broken trucks. In the October 22, 2008 report to the Court, the Receiver reported that the SWMD had consolidated the three shifts into one. Rather than work around the clock, the collection crews now leave the yard at 4 a.m. and work through the morning. After years of late collections, customers, however, had become used to setting out their trash cans later in the day. Although there was media coverage about the transition to one-shift collection, there was a set-out lag whereby many customers continued to set out their trash cans at their "normal" time, not realizing that the single-shift collection crews had already completed collection. Believing that the trash trucks had not come by their houses at all, these customers then called the SWMD customer service staff to report a missed collection and register a complaint.

However, during the first quarter of 2009, there has been a dramatic drop in complaints made to the SWMD. Chart 1 compares the number of January and February complaints for the years 2008 and 2009. The total number of complaints in January/February 2008 was 682, while in January/February 2009 the total was 244, a 64 percent decline. These numbers are evidence that SWMD's customers are receiving more consistent and better service.

**Chart 1.**  
**January/February Complaints to SWMD, 2008-2009**



Since December 2008, the Receiver has consolidated the SWMD administrative section in a single location, which has resulted in improved service and work efficiency. The administrative staff had been in two separate buildings. In December 2008, the Receiver moved the customer call center and registration representatives into the same building with the collection crews and other administrative personnel. The consolidation of the administrative staff in proximity to the collection crews allows for greater and clearer communication between collection supervisors and customer service representatives which, in turn, has resulted in both a better understanding of service problems by both staff groups and quicker responses by SWMD staff to those problems.

As part of the consolidation, the section's files were put into order, with unused files inventoried and active files reorganized in an orderly system that is more efficient for the administrative staff. Having the information easily accessible allows the administrative personnel to work with customers in a timely manner and helps to avoid repeat calls. The decreasing number of complaints in 2009 derives from both consistent service at the curb and better communication and organization in the administrative section of the SWMD. These activities, consolidation of administration, better maintenance on the vehicles, and management of collections, resulted in a milestone for SWMD. According to staff reports, Wednesday, March 24, was the first day on which the SWMD had no complaints from customers. In fact, that week saw a total of only five complaints registered with the SWMD, and the month of March had a total of 62 complaints.



### **Increased Registrations**

On January 14, 2009, the Receiver reported to the Court that the SWMD had 12,080 registered residential customers. As of March 16, 2009, the number of registered residential customers has increased to 12,243. The addition of 163 customers is another indicator that service has stabilized and residents want to register for SWMD's collection service. The SWMD invoiced these customers on time by mail in the first and second quarters of this year.

### **Operations Improvements**

During the Receiver's discussions with Guam's Mayors and with residents during community outreach meetings held in March 2009, the Receiver heard requests to open the Transfer Stations on Sunday and Monday. Effective April 5, 2009, this change has been made. The new schedule is expected to make disposal easier and more convenient for the majority of customers and, hopefully, diminish illegal dumping.

Since the Ordot Dump has few commercial and residential customers on Sundays and with the Convenience Centers/Transfer Stations now open on Sundays giving citizens a place to dump their household trash, the Receiver is reviewing the option of closing the Ordot Dump on Sundays to allow for a better allocation of employees by rescheduling those who work at the dump on Sunday to days that are busier. The Receiver will keep the Court informed as to whether it makes operational sense to close the Ordot Dump on Sundays.

The Ordot Dump continues to be managed in a manner that minimizes flies, odors, and the use of expensive rental equipment. The SWMD continues to implement proper waste management practices, thereby diminishing the number of flies and prevalence of odors on the dump's premises and in the surrounding area. Odors and flies are still generated, but the amount and number are less than when the Receiver came to Guam for the first time in April 2008.

As has been reported to this Court in several previous hearings, when the Receiver arrived, the SWMD was spending up to \$11,000 per day to rent heavy equipment for all of its facilities but primarily for the Ordot Dump. No such equipment was rented in the Division's collection section this past quarter, and only \$464.00 a day was spent for equipment used at the Ordot Dump. The only other heavy equipment that was rented from January 11<sup>th</sup> through the 18<sup>th</sup> of this quarter was used to repair the groundwater drainage and silt fencing along the entrance road to the site of the future Layon Landfill.

In the Receiver's January 14, 2009 report to the Court, we noted that the new scales that had been purchased were delayed in arriving on Guam. On March 17, 2009, the contractor began preparing the foundations for the scales, which have now arrived. The footings for these scales have been formed, and the concrete has been poured and is curing at the time of this Report. The scale installation is expected to be completed in this quarter, as early as during April.



Residents continue to use the recycling facilities at the Agat and Dededo Transfer Stations/Convenience Centers and the Ordot Dump. The SWMD transports glass bottles and jars to the Ordot Dump where they are stockpiled until enough volume has been accumulated for the material to be pulverized by heavy equipment and used as alternative daily cover. The division takes cardboard to a local cardboard processor, who charges the SWMD \$3 per cubic yard for recycling disposal. The processor bales the material and ships it overseas to users who turn it into new cardboard boxes.

In October 2008, we reported a reduction from 99 SWMD employees in March 2008 to 76 at the end of September, largely due to attrition. In January, that number dropped to 72, a 27 percent reduction in personnel with a commensurate increase in productivity. Since January 2009, the SWMD added one employee, putting the total at 73.

### **3. Trash Cart Rollout Plan**

#### **Overview**

In our October 22, 2008 Report to the Court, we outlined three options to achieve a sustainable residential solid waste management system in Guam:

1. Basic Services, including a cart system for trash collection and staffed, strategically located convenience and recycling centers;
2. Curbside Recycling added to the Basic Services scenario; or
3. Mixed Waste Recycling, which includes the Basic Services scenario plus a Mixed Waste Processing facility to recover recyclable material.

In its Order dated October 22, 2008, the Court accepted our recommendation to implement the Basic Services option—the least costly among the three alternatives—which enables Guam to build a more sustainable solid waste system that both meets the requirements of the Consent Decree and establishes a strong foundation from which to grow more advanced programs, including Curbside Recycling and Mixed Waste Recycling, at a later date.

In our January 14, 2009 Report to the Court, we outlined the steps we planned to take to implement the Basic Services scenario with trash cart rollout:

- Procurement development;
- Procurement;
- GPS and routing;
- New registration of customers;
- Delivery of trash carts; and
- New customer service tracking.

What follows is our update on the trash cart rollout plan based on activities performed since the Court hearing on January 14, 2009.

### **Update on Procurement**

The Receiver has initiated the procurement for the purchase of carts and cart lifters. The Government Service Agency (GSA) released a bid for trash carts on March 18, 2009, and contractors submitted their bids on April 14, 2009. The responses are currently being evaluated.

GSA also released the procurement for the purchase of replacement trucks for the SWMD's special collections routes (what the SWMD's employees refer to as "Babypacker routes") on April 6 and will be returned on April 17. In its Report to the Court on January 14, 2009, the SWMD projected that it would need up to five (5) Babypacker trucks. Upon further evaluation of the need, we concluded that three (3) new Babypacker trucks would suffice.

The development of specifications for customer service software and Radio Frequency Identification Devices (RFID) required the Receiver to do a considerable amount of research. The Government of Guam's procurement rules require that procurement for such a software package(s) be released as Information for Bids (IFB). However, after considering the complexity of the software system(s), the necessity for a two-phase bid, the need for integration with the Government of Guam's current billing system, and the activities that take place on the collection routes, the Receiver felt it necessary to package the procurement as a Request for Proposals (RFP). In our opinion, an IFB would likely cause a serious and unreasonable delay in the implementation of the new registration drive. The Receiver has the authority to issue a procurement as an RFP, based on the Court's March 17, 2009 appointment of the Receiver where the Court specifically states: "In awarding any future contracts, the Receiver shall follow the procedures required in Guam's statutes and regulations, unless, in the best judgment of the Receiver, such compliance would unreasonably delay the progress in meeting the mandates of the Consent Decree." This RFP was released on April 10, 2009, and proposals are to be submitted on or before May 15, 2009.

In its previous Report to the Court, the Receiver discussed the need to purchase more recycling containers for the Transfer Stations. These containers have now been ordered. One of these recycling containers for cardboard will be placed at the Malojloj Transfer Station so that people in that area will also have a convenient option to recycle their cardboard. The second container will be used as a switch-out container that will make collection and transportation more efficient. This container will be stationed at the SWMD's yard until a recycling container at one of the Transfer Stations is filled and needs to be collected. The driver will then transport the empty container on a roll-off truck to the location of the full container, switch the full one with the empty one, and take the full container to the cardboard processor. With the switch-out container, the transport truck will not have to return the container from the cardboard processor's facility back to its Transfer Station location. Having this extra container will result in time and fuel savings, and frees the truck and driver for other activities.

### **Update on Routing**

In preparation for the registration drive, the Receiver is undertaking an analysis of collection routes so that SWMD staff will be able to tell customers during registration which day their trash will be collected. The first phase of the routing analysis has been completed. GPS data collection has been conducted for forty (40) weekly trash truck routes and fifteen (15) weekly Special Collection/Babypacker routes. We will use these data to develop an improved routing system that will produce efficiencies and result in fewer trucks performing the same number of collections. SWMD employees who will no longer be needed on collection services will work on the registration and cart rollout process as well as future SWMD services, such as the bulky item collection by appointment.

### **Update on Registration**

The goal of the registration process is to facilitate a smooth transition to the cart-based system for trash collection. At the same time, the registration process provides an opportunity to gather information from customers, necessary for service delivery and billing, and also to share information with our customers about SWMD services and waste reduction practices.

In our January 14, 2009 Report to the Court, we estimated that registration could begin as early as May 2009, depending on the results of the procurements. The results of the procurements are thus far preliminary and suggest that registration will begin in June or July 2009. On February 18, 2009, we presented to the Council of Mayors our plans for the registration process, asking for their input and help in both disseminating information regarding the registration and providing logistical assistance during the registration itself. We will work closely with each of the 19 Village Mayors to hold registration events at their offices at a minimum of twice during the designated registration week for their village, including registration hours on Saturday.

During registration, residents will complete a registration form to sign up for collection service and a trash cart, confirm their house and pickup locations on a map, and receive a brochure with information about SWMD services and waste reduction tips. The Receiver plans to provide the registration form on the Internet for individuals to fill out and bring to the registration sign-up location. The SWMD will mail the registration form to current customers to fill out at their convenience before registering in person.

### **Timeline for Cart Rollout**

Since the January 14, 2009 Court hearing, we have made minor changes to the timeline for the trash cart rollout. The following timeline shows both the updated timeframe and items that have been completed thus far.

### ***Phase 1. Infrastructure Development, December 2008 – April 2009***

Activities summary:

- Routing and training with GPS units, route mapping (completed);
- Cart procurement (completed);
- Procurement for new pickup trucks and lifters (completed);
- Evaluating the billing and customer service system and developing the procurement (completed);
- Initiating rate discussions with the Public Utilities Commission;
- Customer meetings held (completed);
- Presentation for Mayors' Council; and
- Development of public education materials in draft form (completed).

### ***Phase 2. Deliveries and Implementation, May 2009 – June 2009***

Activities summary:

- Cart delivery and staging at the coral pit;
- Truck deliveries, attaching lifters;
- Delivery of products for billing and customer service implementation;
- Training of customer service personnel on new billing products/software;
- Media relations and publicity about the registration process; and
- Public education materials finalized, printed and delivered to SWMD

### ***Phase 3. Registration and Service, June 2009 – November 2009***

Activities summary:

- Completion of registration form;
- Mailing of registration forms to customers;
- Development of registration procedures and sequence of villages to be registered;
- Meetings with each of 19 mayors a week before registration in his/her village;
- Registrations in each village;
- Cart deliveries approximately one week after registration is completed in each village; and
- Media relations to publicize cart deliveries.

## **4. Community Outreach**

### **Overview**

During the quarter, Receiver representatives met with Guam's Mayors and organized three community discussion groups to discuss the trash cart rollout plan and obtain comments from

the community. In addition, we held meetings with members of the environmental, business and school communities, also to discuss plans for the trash cart rollout.

### **Meeting with Mayors**

On February 18, as noted in the section above, a Receiver representative met with Guam's Mayors at a Mayors' Council meeting to present the plan for the trash cart rollout, outline plans for community meetings with residents to explore their opinions about solid waste issues, and ask for the Mayors' support in selecting residents to participate in three small group discussions, which were held in early March (described below).

### **Community Meetings**

On March 3, 4 and 5, the Receiver held three community meetings/small group discussions with Guam residents in the south, central and northern village districts. The Mayors of each of Guam's 19 villages were asked to select two residents—SWMD customers and non-customers—to attend the meetings. The meetings were intentionally small, ranging in size from six to 11 participants, in order to provide opportunities for candid, in-depth discussion of solid waste issues and the trash cart rollout plans. A total of 27 residents participated, representing villages of Umatac, Agat, Merizo, Tamuning-Tumon-Harmon, Chalan, Pago-Ordot, Mangilao, Barrigada, Piti Nimitz Hill, and Hagatna Heights.

The purpose of the small group discussions was to gain a better understanding of residents' attitudes and opinions about current trash collection services, the proposed registration process for trash collection service, the trash cart, public education materials, and outreach methods. At each meeting, participants viewed a short slide presentation that described the trash cart rollout plan, completed two worksheets designed to obtain their opinions on various elements of the new system, and engaged in a group discussion led by a Receiver representative. They also had a chance to view a trash cart, similar to the one the SWMD will distribute to customers. SWMD staff was available to answer questions.

A full report of the small group discussions is included as Tab 6. The following summarizes the major themes expressed during the sessions:

#### ***Trash collection and recycling***

Most residents reported that their trash now is collected consistently early in the morning, and customer service at the SWMD is responsive when problems are reported. When it comes to **recycling**, residents said they want to recycle more and recognized that recycling is a way to extend the life of the Ordot Dump to allow time for construction of the new landfill and to extend the life of the Layon Landfill. They suggested that the transfer stations be open on Sundays and Mondays when they are most likely to need to dispose of recyclables and trash. Participants said that some residents who do not have transportation find it impossible to take recyclables to the transfer stations at Agat and Dededo and to the Ordot Dump.

***New services: trash cart***

Residents commented that the new trash carts will be convenient for residents and trash collectors, reduce litter (can't be knocked over by animals) and represent a fresh start for the SWMD. However, residents expressed the fear that the carts might be stolen and that non-customers would use them. A few residents thought they would probably need more than one cart, while others thought the cart would be too big for their needs and suggested a smaller cart (with a reduced fee). Residents thought the idea of the excess trash stickers is good and fair, but many felt that two free stickers per year will not be enough due to the number of parties and fiestas hosted by many families.

***Collection ban***

While residents generally accept the reason for the ban on cardboard, vegetative waste and inert materials (to extend the life of the Ordot Dump), they said there are too few convenient disposal/recycling options for these materials. They fear that illegal dumping, already a problem in Guam, will increase with the ban.

***Registration***

Residents agreed that holding registration at the Village Mayors' offices will be convenient and help the Mayors update their village listings. Those who have Internet access would like to be able to register online or at least to download the registration form. Residents thought the proposed registration form was easy to understand.

***Bulky waste and household hazardous waste collection services***

Residents applauded the future bulky waste collection service as a deterrent to illegal dumping and as an added convenience for SWMD customers. Residents also thought the future HHW collection services will be a benefit to the community and the environment.

***Fees***

The issue of collection fees (described during the presentation as likely to be \$30.43 per month for one cart) raised comments, questions and concerns. While some residents thought the fee was fair and a good, reasonable price, others thought it was too high, especially for elderly, disabled and low-income residents. Some suggested a tiered fee structure, based on cart size or amount collected. Residents questioned how the fee was calculated, and Receiver representatives explained that the fee reflects collection and disposal costs.

***Public education***

During the slide presentation, residents learned about the Receiver's plans for public education about the new trash cart system, and they reviewed color copies of a draft brochure and cart hanger. They commented that the brochure and cart hanger contain important, useful information and suggested that the graphics be made more relevant to Guam with a "human face." In general, they did not think translated versions of the English-language brochure would be necessary. They also commented on a list of four campaign slogans, and provided suggestions on preferred outreach methods. Few residents were aware of or had visited the Receiver website [www.guamsolidwastereceiver.org](http://www.guamsolidwastereceiver.org), even though the majority of residents in

the groups have Internet access. Residents suggested various ways to reach out to the community, encouraging us to “be everywhere!”

### **Stakeholder Discussions**

The Receiver representative also held a series of stakeholder discussions, March 1-6, 2009, to obtain input from a select number of Mayors, environmentalists, school officials, business representatives and media regarding the Receiver’s plans for implementing a new, cart-based collection system for customers of the SWMD.

The Receiver representative held the following meetings:

#### **1. Environmental Community**

**Peggy Denny**, I-Recycle (2 meetings)  
**Paul Tobiason**, Recycling Association of Guam (RAG)  
**Berrie Straatman**, RAG  
**John Dierking**, RAG  
**Barbara Dumdga**, RAG

#### **2. Printers** (to assess printing capabilities for printing outreach materials) **Janice Flores**, Graphic Center, Inc., Romy Adca, American Printing, and **Jun Distor**, Victoria Printing and Graphics, dba Island Banners and Signs

#### **3. Melissa Savares**, Mayor of Dededo Village

#### **4. Agnes Perez**, Operations Manager, Home Depot **Patty Limtiaco**, Contract Services Supervisor, Home Depot

#### **5. Betty Ann Guerrero**, Station Coordinator, KUAM TV (phone meeting)

#### **6. Stephen C. Ruder**, Ruder Integrated Marketing Strategies

#### **7. Sylvia Calvo**, School Program Consultant, Guam Public School System

### **5. Financial Issues**

#### **Overview**

The Receiver addressed a number of financial issues during the quarter that ended March 31, 2009. In this section, we provide the Court with an update on these issues and our assessment of the current state of the finances of the SWMD. Specifically, this section will address the following areas:



1. Operating expenses of the SWMD for FY 2009 through February 28, 2009 (the most recent available);
2. Revenue collections for FY 2009 through February 28, 2009 (the most recent available);
3. Current estimates of the results for the full FY 2009;
4. Projections for FY 2010 through FY 2012;
5. The current status of the Citibank Trustee Account;
6. Projected cash needs in order to assure that the Court's approved construction schedule is maintained;
7. The status of the design and technical assistance contracts currently in place for the Consent Decree projects; and
8. Compensation issues during transition to new programs and facilities.

### **Operating Expenses**

One of the most obvious ways to demonstrate management improvements is by analyzing the operating expenses for the current fiscal year. Through reductions in the staff of the SWMD, achieved primarily through attrition, we have significantly reduced payroll and related expenses. While complete results are not yet available for March (the Government of Guam's financial process requires until late April to produce final results for March), for the first five months of FY 2009, the SWMD budget is 29 percent under its approved budget for payroll and related expenses. It is important to remember that these reductions in payroll have been accompanied by a dramatic increase in the efficiency of the operations as demonstrated by the following changes:

- The number of shifts for collection has been reduced from three to one;
- The entire island is now serviced during this one shift;
- Morale among SWMD employees is high; and
- Customer complaints have been dramatically reduced.

Much the same can be said for non-personnel expenditures, which are 24.2 percent below budget for the same period. This is largely attributable to the dramatic improvements made in equipment, including the purchase of some new equipment and significant advances in the quality of the maintenance and care given to all equipment. The cost of rental equipment during the period continued to hold steady, averaging \$464 per day in March. As noted earlier in this Report, expenditures of about \$11,000 per day were being regularly incurred for rental equipment when the Receivership began. The reduction to \$464 represents an annualized savings of about \$3.8 million for the people of Guam. Table 2 summarizes all expenditures compared to the budget for the first five months of FY 2009.

Table 2.

Solid Waste Management Division Budget v Spending FY 2009				
Item	Approved Budget	Budget October thru February	Spending October thru February	% over (under) Budget
<b>Personnel Expenses:</b>				
Regular Salaries	\$2,530,220	\$1,054,258	\$773,411	-26.6%
Overtime/Special Pay	\$50,000	\$20,833	\$14,890	-28.5%
Benefits	\$853,016	\$355,423	\$228,758	-35.6%
Sub-total	\$3,433,236	\$1,430,515	\$1,017,059	-28.9%
<b>Non-Personel Expenses:</b>				
Travel	\$0	\$0	\$0	N/A
Contractual Services	\$1,992,186	\$830,078	\$466,758	-43.8%
Supplies and Materials	\$500,000	\$208,333	\$85,175	-59.1%
Equipment	\$10,000	\$4,167	\$2,125	-49.0%
Other Expenditures	\$84,416	\$35,173	\$10,648	-69.7%
Capital Outlay	\$151,597	\$63,165	\$300,000	374.9%
Sub-total	\$2,738,199	\$1,140,916	\$864,706	-24.2%
Grand-total	\$6,171,435	\$2,571,431	\$1,881,765	-26.8%

### Revenue Billings and Collections

An essential element to achieving compliance with the Consent Decree and the overall success of the SWMD is its ability to recover its cost through efficient billing and collection processes. This has been a major problem as documented in several recent audits.

Table 3 provides an overview of billings and collections for the first five months of FY 2009 compared to the results for all of FY2008. As can be seen, there is a very positive trend in the percentage of billed revenue actually collected, largely due to a decision to stop billing customers who have not responded in many years (continued billing to these addresses was a waste of postage). The SWMD still provides residential collection services to approximately 4,000 customers who are not properly registered and who do not pay for the service. As we have discussed in previous reports, this problem will be addressed in 2009 with the new cart-based system.

Table 3.

<b>SWMD Revenue Billed / Collected</b> <b>October 1 through February 28</b> <b>FY 2008 and 2009</b>						
Customer Class	FY 2008			FY 2009		
	Billed	Collected	%	Billed	Collected	%
Commercial	\$ 1,644,340	\$ 1,607,166	97.7%	\$ 964,435	\$ 1,015,802	105.3%
Residential	\$ 1,085,068	\$ 439,671	40.5%	\$ 601,050	\$ 474,421	78.9%
Government	\$ 27,840	\$ 6,705	24.1%	\$ 6,390	\$ 2,990	46.8%
Other	\$ 25,660	\$ 87,201	339.8%	\$ 6,155	\$ 19,544	317.5%
Total	\$ 2,782,908	\$ 2,140,743	76.9%	\$ 1,578,030	\$ 1,512,757	95.9%

Another trend of significance is the decline of billed and actual collections from commercial customers. This trend may be explained by the reduced volume of waste going to the Ordott Dump due to the ban on recyclable materials. The lack of an accurate scale system at the Ordott Dump to measure the waste is a continuing concern. As the Court will recall, there has been no accurate scale system at the Dump for many years. Just prior to the appointment of the Receiver, the SWMD rented a scale to take measurements for a few weeks. Its cost was exorbitant and its accuracy uncertain. As already noted in this Report, a scale system that is owned by the SWMD and which will be properly calibrated to ensure accuracy is presently being installed. This will allow for accurate weights for the first time in many years and will lend valuable insight into these issues.

Finally, there is a significant reduction in the amounts billed in the customer categories of "Other Commercial" and "Government." We believe this decline to be attributable to a significant increase in the use of the large commercial collection services by these customers. An accurate scale system will also lend additional insight into this area.

#### **Estimated Results for FY 2009**

In an enterprise like the SWMD, financial results depend both on expenditures and revenue, as well as the results of previous fiscal years as evidenced by the unobligated fund balance from the prior fiscal year. Table 4 is an estimate of the final results for FY 2009 taking all of these factors into consideration.

**Table 4.**

Solid Waste Management Division Operating Account	
Estimated Fund Balance	
30-Sep-09	
Unaudited	
Elements of Fund Balance	Amount
Fund Balance @ 9/30/08	\$ 86,375
Estimated Revenue FY 2009*	\$4,337,457
Estimated Expenses FY 2009**	\$3,690,484
Excess (Deficit) FY 2009	\$ 646,974
Estimated Fund Balance @ 9/30/09	<u>\$ 733,349</u>
* Estimated FY 2009 Revenue assumes implementation of the recommended commercial fee of \$155.99 per ton on 7/1/09.	
** Estimated expenses assume continuation of the current spending trends for balance of FY 2009.	

According to the Department of Administration, the fund balance for the fiscal year that ended September 30, 2009, was \$86,375. This is an unaudited balance. The final audit will not be completed until later this year. Assuming implementation of the interim commercial tipping fees approved by the Court in its order of January 23, 2009, and spending trends in the final seven months of FY 2009 comparable to those trends as they have emerged in the first five months of FY 2009, the fund balance should increase to approximately \$733,000 by September 30, 2009.

#### **Projections for FY 2010 through FY 2012**

With landfill construction underway, it is now time to focus on the transition in long-term finances necessary to effect compliance with the Consent Decree. Table 5 projects the cost of the new system and the expected revenue that will result from the new system during the period FY 2009 through FY 2012 when the new facilities and programs will become fully operational.

Table 5.

Solid Waste Management Division				
Estimated Results FY 2009 through FY 2012				
(Excludes Depreciation)				
Expenditures/Revenue	FY 2009 Estimated Results	FY 2010 Budget	New Facilities Open	
			FY 2011 Budget	FY 2012 Budget
Expenditures:				
Landfill Operations/Transfer Stations	\$ 1,367,405	\$ 1,825,043	\$ 2,820,225	\$ 3,760,300
Residential Trash Collection	\$ 1,837,379	\$ 2,452,306	\$ 3,463,575	\$ 4,618,100
Household Hazardous Waste and Transfer Stations	\$ -	\$ -	\$ 477,525	\$ 636,700
Pilot Curbside Recycling Program	\$ -	\$ -	\$ -	\$ 14,900
Administration	\$ 485,700	\$ 789,589	\$ 743,850	\$ 991,800
Community Information / Public Education and Outreach	\$ -	\$ -	\$ 174,900	\$ 174,900
Debt Service				\$ 5,422,688
Total Expenditures	\$ 3,690,484	\$ 5,066,938	\$ 7,680,075	\$15,619,388
Revenue:				
Tipping Fee Revenue (\$155.99 per ton)	\$ 3,198,847	\$12,099,052	\$12,099,052	\$12,099,052
Residential Revenue (\$30.43 per month)	\$ 1,138,610	\$ 5,112,240	\$ 5,112,240	\$ 5,112,240
Total Revenue	\$ 4,337,457	\$17,211,292	\$17,211,292	\$17,211,292
Surplus/(Deficit)	\$ 646,974	\$12,144,354	\$ 9,531,217	\$ 1,591,904
Fund Balance	\$ 733,349	\$12,877,703	\$22,408,920	\$24,000,824

Table 5 is based on the following **assumptions**:

1. The fund balance for FY 2009 includes the estimated fund balance for FY 2008 estimated by the Department of Administration to be \$86,375;
2. Section 30-backed bonds issued in June 2009 with the first debt service due December 1, 2009;
3. Debt service is payable each December 1<sup>st</sup> and June 1<sup>st</sup> and is based on a revised bond model prepared by Public Financial Management, Inc., to reflect current market conditions. The revised bond model is attached as Tab 3;

4. Debt service through December 1, 2011, is capitalized and paid from the Capitalized Interest Fund (CAPI);
5. Debt service payable by the SWMD is 74.89 percent of the total debt service with the remainder of debt service attributable to the Ordot Dump closure, which is to be paid from Government of Guam tax revenue or grants;
6. Tipping fee revenue includes revenue from government agencies and other commercial customers;
7. 77,563 tons of trash is annually disposed at the new landfill based on measurements of daily space consumption at the Ordot Dump. This is a more conservative estimate than earlier estimates;
8. New commercial rate of \$155.99 becomes effective July 1, 2009; and
9. Residential collection revenue includes revenue from self-haulers and 14,000 residential customers (estimated), with the new monthly rate of \$30.43 effective with the roll-out of the new trash cart program and estimated completion of the roll-out by the end of November 2009.

**It is important to emphasize that the amount of waste and the number of residential customers are assumptions.** The amount of waste is based on an average of our high and low daily space consumption at the Ordot Dump, as measured through December 2008. This figure of 77,563 tons is reduced from our previous estimate of 98,640 tons annually. As we implement the new scale system for weighing all trash over the next few months, we will revise this figure, again. As for the number of residential customers, we will have a more accurate figure following the registration period for the new cart system.

These projections are consistent with the estimates included in the Quarterly Report of October 22, 2008. Tab 4 extends these projections through 2019. These additional projections were provided to the Government of Guam to assist in its preparation of a loan application to the United States Department of Agriculture.

### **Capital Funding**

Timely access to capital funding is the most important factor in our capacity to achieve compliance with the Consent Decree. We have consistently recommended Section 30-backed bonds as the most appropriate and least problematic method of financing available to the Government of Guam. Our recommendation for Section 30-backed bonds has been supported by the independent expert of the United States Government, Jonathan S. Shefftz, Public Financial Management, Inc.; the Bank of America; Guam's Bond Counsel; the Guam Economic Development Agency; the Director of the Guam Bureau of Budget and Management Research; and the Governor of Guam. Unfortunately, the Guam Legislature effectively blocked this method of financing on three separate occasions and continues to insist that it be used only if non-investment grade deficit financing bonds are sold simultaneously. As a last resort, we recommended and the Court, after careful consideration, approved our request that the

Government of Guam be required to begin making weekly deposits to the Trustee Account to assure an uninterrupted flow of capital to complete the Consent Decree projects.

This Report will not review any of the issues that have transpired between the Court and the Government of Guam in enforcing the Order for weekly payments, but we do need to provide the Court an update on the status of the funds that have been made available to the Consent Decree projects as a result of the Court's decisions. Table 6 provides a summary of the status of the Trustee Account as of March 31, 2009. The details of individual transactions are provided in Tab 5.

**Table 6.**  
**As of March 31, 2009**

<b>Summary of Trustee Account</b>			
<b>Citibank, N.A. , Guam Branch</b>			
	<u>Cash Deposits to Date</u>		
<b>Income</b>			
Initial Deposit	\$ 20,000,000.00		
Interest Earnings	\$ 71,206.21		
Additional Deposits	\$ 4,968,500.00		
<b>Total</b>	<b>\$ 25,039,706.21</b>		
	<u>Cash Payments to Date</u>	<u>Total Amount Obligated to Date</u>	<u>Balance Remaining</u>
<b>Expenditures</b>			
TG Engineers, PC	\$ -	\$ 931,283.00	\$ 931,283.00
Maeda Pacific Corporation	\$ -	\$ 8,360,000.00	\$ 8,360,000.00
Cart Roll-Out	\$ -	\$ 2,318,000.00	\$ 2,318,000.00
Misc	\$ 64,828.25	\$ 64,828.25	\$ -
Bank Charges	\$ -	\$ -	\$ -
	<b>\$ 64,828.25</b>	<b>\$ 11,674,111.25</b>	<b>\$ 11,609,283.00</b>
<b>Cash Balance</b>	<b>\$ 24,974,877.96</b>		
<b>Balance Available for Consent Decree</b>	<b>\$ 13,365,594.96</b>		

In future reports, we will continue to update this format to allow the Court to review all of the transactions occurring in this matter. While Table 6 indicates a balance available for future contracts of almost \$13.4 million, it is imperative that the deposits continue or be replaced with funds from the sale of Section 30-backed bonds if the Court-approved schedule is to be maintained.



We made our initial recommendations to the Court for Section 30-backed bonds in the October 22, 2008 Quarterly Report. We anticipated that it would take several months to successfully sell the Section 30-backed bonds. We asked for a \$20 million bridge payment, which the Court approved and which was provided by the Government of Guam, to allow the process to move forward while the bonds were being marketed. Almost six months have passed since we made that recommendation.

Accordingly, it is essential that access to the needed capital be maintained either through the weekly payments or by the actual sale of Section 30-backed bonds. Any other approach, at this point, will result in delays of indefinite magnitude, which are clearly inconsistent with the Court-approved construction schedule and would place Guam at great risk of running out of space at the Ordot Dump prior to completion of the Layon Landfill.

### **Design Consultant Contracts**

Another important element of the finances of the SWMD, relative to the Consent Decree projects, relates to the contracts with TG Engineers, PC, and Shaw Environmental. TG Engineers, PC, is the firm selected by the Government to design the landfill and manage the permitting process. Shaw Environmental was retained by the Government to provide technical assistance with respect to the Consent Decree projects. As the Court will recall, the Government of Guam signed both contracts prior to the beginning of the Receivership. Since both are primarily funded by federal grant funds that were put into place prior to the Receivership, we want to take this opportunity to bring the Court up to date on their current status.

Table 7 summarizes the contract with TG Engineers, PC, providing a brief description of the original contract and each amendment to the contract, the amount of the original contract and the amount of each amendment, and the payments made through March 31, 2009.

Table 7.

Summary of Contract for Design of New Landfill TG Engineers, PC					
Date Signed by Governor	Agreement	Description of Services	Contract Amount	Payments as of 3/31/09	Remaining Balance
5/3/2005	Original Contract	Engineering Services for Task I of Phase I, 40% Plans, Specifications & Estimates (PS&E)	\$ 800,000	\$ 764,229	\$ 35,771
8/5/2005	Amendment No.1	Amendment No. 1 - engineering services for Task II of Phase I, 40% PS&E for the Grading and Layout of Refuse Area 1 and associated landfill facilities, including access road.	\$ 530,003	\$ 530,003	\$ -
Not Signed	Amendment No. 2 (Settlement Agreement)	Settlement Agreement was made between the government of Guam and the Consultant for \$1,410,950 for services performed and documents developed between October 24, 2005 and February 1, 2006 .	\$ 1,410,950	\$ 1,410,950	\$ -
6/12/2006	Amendment No.3	Engineering services for Task IV of Phase II, Final PS&E incorporating the approved comments from the pre-final (100%) PS&E.	\$ 1,562,096	\$ 1,021,939	\$ 540,157
7/31/2006	Amendment No. 4	Engineering services for Task IV of Phase II, Final PS&E incorporating the approved comments from the pre-final (100%) PS&E.	\$ 64,968	\$ 37,004	\$ 27,964
9/13/2006	Amendment No. 5	Engineering services for Task IV of Phase II, Final PS&E incorporating the approved comments from the pre-final (100%) PS&E.	\$ 1,576,178	\$ 1,453,391	\$ 122,787
3/2/2007	Amendment No. 6	Incorporating the Value Engineering Study alternatives selected by DPW and GEPA into the final design of the Layon Landfill. Amendment No. 6 also identifies credits to Amendment Nos. 3 and 5, Part 1 for work deleted from the scope for the leachate discharge pipe line from the landfill to the Inarajan Wastewater Treatment Plant.	\$ 790,348	\$ 315,011	\$ 475,337
6/18/2008	Amendment No. 7	No-Cost Contract Extension to 12/31/08.	\$ -	\$ -	\$ -
12/31/2008	Amendment No. 8	Design for Leachate Sewer line and Cell 1 & 2 Mass Excavation Accelerated Bid Package, Construction Permits	\$ 276,847	\$ -	\$ 276,847
Submitted 3/24/09	Amendment No. 9*	To fund Task Order # 1 for archaeology survey services and Task Order # 2 for construction management services.	\$ 727,331	\$ -	\$ 727,331
Submitted 3/18/09	Amendment No. 10*	To fund Task Order # 3 for feasibility study for leachate discharge and treatment.	\$ 203,952	\$ -	\$ 203,952
Total			\$ 7,942,673	\$ 5,532,527	\$ 2,410,146
* Trustee funded					

Table 8 provides the same analysis for the contract with Shaw Environmental.

**Table 8.**

<b>Summary of Contract for Consent Decree Projects Shaw Environmental, Inc</b>					
Date Signed by Governor	Agreement	Description of Services	Contract Amount	Payments as of 3/31/09	Remaining Balance
2/14/2007	Original Contract	Review Consent Decree Schedule and provide technical assistance as needed.	\$ 237,772	\$ 237,772	\$ -
2/25/2008	Amendment No. 1	Compare landfill disposal option with Waste to Energy disposal option.	\$ 30,000	\$ 25,967	\$ 4,033
1/5/2009	Amendment No. 2	Provides for Task Orders for subsequent work.	\$100,000		\$ 100,000
	<b>Total</b>		<b>\$367,772</b>	<b>\$ 263,739</b>	<b>\$ 104,033</b>

These contracts are important to the work of the Receivership and the Consent Decree projects. We appreciate the Government's assistance in making the necessary amendments to the contracts and processing payments to them in a timely fashion.

The only other contract in this area when we arrived was with Duenas, Bordallo, and Camacho for services in connection with the closure of the Ordot Dump. As we have reported before, the design for closure of the Ordot Dump is no longer a viable design since the Ordot Dump has expanded so dramatically since it was developed. Accordingly, at an appropriate time, we will begin a procurement process to select a design team for this important project.

#### **SWMD Compensation Issues**

Following our appointment as Receiver, the emergency status of Ordot Dump and the enormous problems that plagued residential trash collections necessitated that employees of the SWMD work at night and on the weekends to correct these deficiencies. Over the course of a year, these employees have risen to the challenge without complaint. While most employees receive overtime pay for such work, a few of our key staff received no additional compensation for their efforts. We have worked for months without success to try to find a way within the Government of Guam's system to adequately compensate these dedicated employees.

As we implement the new cart system for residential customers and prepare for the opening of the Layon Landfill, the closing of the Ordot Dump, and the SWMD's related facilities and programs, the demands placed on these same key staff will continue and in some cases increase. This is not sustainable and will result in the loss of these valuable employees.

Since, at this point, we are convinced that we will not be successful working through the Government's personnel system to adequately address this problem, we are faced with two alternatives. The first is to bring in outside contractors at a much higher cost to assist in this process. Some outside contractors will be engaged under any circumstances, but the use of these contractors will be significantly increased if we are not able to continue to call on a few key staff in the SWMD for these extraordinary efforts. The other alternative is to compensate these individuals through payments from the Trustee Account for the additional work they are asked to undertake. Since this option will be significantly less expensive, **we ask that the Court approve use of the Trustee Account for this purpose.** Should the Court approve this request, we will keep the Court and the Government of Guam fully informed of any payments made to employees.

## 6. Next Steps

During the next quarter, the Receiver will seek to make additional improvements in the SWMD and ensure that progress on the design, permitting and construction of the Layon Landfill continues. We will also begin to implement the new trash cart-based system. Specific tasks include:



### **Continue with Layon Landfill design, permitting and construction**

- Finalize solid waste facility permit supporting documents to be issued with GEPA Draft Permit;
- Coordinate with Guam Waterworks Authority (GWA) to address rules pertaining to the discharge to the wastewater collection system, as well as GEPA and EPA regulations for the management and treatment of leachate;
- Perform sample collections of leachate and sewage for use in bench scale treatability study;
- Conduct bench scale treatability study for leachate;
- Finalize Landfill Systems and Entrance Facilities design package and issue for construction bid procurement;
- Initiate construction permitting process for Landfill Systems and Entrance Facilities;
- Finalize Access Road and Utilities design package and issue for a construction bid;
- Initiate construction permitting process for Access Road and Utilities;
- Develop comprehensive construction management scope of work and issue a Request for Proposals; and
- Continue construction of operations road, cells, stormwater management pond

### **Implement the trash cart-based system**

- Initiate interim commercial rates and develop a strategy for implementation of interim residential rates for review and approval by the Court;
- Take delivery of carts and stage at the coral pit;

- Take delivery of Babypacker trucks, attach lifters;
- Take delivery of products for billing and customer service;
- Train customer service personnel on new billing products/software;
- Conduct media relations and publicity about the registration process;
- Finalize and print public education materials;
- Mail registration form to current customers and post on website;
- Develop registration procedures and sequence of villages to be registered;
- Hold meetings with each of 19 mayors a week before registration in his/her village;
- Hold registrations in each village;
- Deliver carts to customers about one week after registration; and
- Conduct media relations to publicize cart deliveries.




# Guam

SOLID WASTE RECEIVER



Quarterly Report  
of  
Receivership for the Government of Guam  
Solid Waste Management Division  
Pursuant to Order of the  
United States District Court of Guam

Presented by  
Gershman, Brickner & Bratton, Inc.

April 16, 2009



Gershman, Brickner & Bratton, Inc.




# Guam

SOLID WASTE RECEIVER


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- 6. Financial Issues
- 7. Next Steps




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**Guam** SOLID WASTE RECEIVER



1. RECEIVER’S FIRST YEAR:  
A REVIEW



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**Guam** SOLID WASTE RECEIVER



SWMD Operations/Administration

- Purchased new equipment
- Repaired old equipment
- Achieved major savings with less leased equipment



Before: Old fleet of often inoperable trucks



Now: New trucks



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## SWMD Operations/Administration

(cont'd)

- Improved SWMD facilities

Before: Shower facilities and kitchen



Now





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## SWMD Operations/Administration

(cont'd)

- Streamlined and consolidated office operations
- Reduced SWMD staff by more than 25%

Before



Now: Organized customer service offices





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## SWMD Collection Services

- Delivered regular, consistent collection services
- Dramatic reduction in complaints

64% fewer complaints in Jan./Feb. 2009 compared with Jan./Feb. 2008



Year	Complaints
2008	~650
2009	~230





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## SWMD Collection Services

(cont'd)

- Completed plans for cart-based collection
- Initiated procurement for trash carts



**Guam Rolls Out**  
Cleaner and Greener  
Your New Trash Collection Service  
Plus, tips for recycling and reducing waste

Your trash collection day:  
Monday

Guam Solid Waste Management District



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## Operations: Ordot Dump and Transfer Stations

- Implemented ban on materials
- Added recycling at Ordot Dump and transfer stations



Before



Now



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## Operations: Ordot Dump and Transfer Stations (cont'd)

- Improved operations at Ordot Dump, including odor and dust control; no fires
- Began to install new weigh scale



SWMD employees improving storm drainage



New scale installation





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## SOLID WASTE RECEIVER



### Layon Landfill

- Restarted design and permitting processes
- Received zone change approval and initial building permits for Layon Landfill
- Began Layon Landfill construction

**ORIGINAL**

Consent Decree

Case No. 07-0001

FILED 1.1.2007

2004 Consent Decree with 2007 landfill completion date

i. Within 1,320 days (approximately 44 months), DPW shall begin operations of the new MSWLF and so certify to U.S. EPA within 7 days of commencement of operation.



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Operations road



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## SOLID WASTE RECEIVER



# Receivership

- Established Receiver Trustee Account with \$25M for Consent Decree projects
- Established cost estimates for Consent Decree projects
- Established communication with U.S. Military to encourage use of Layon Landfill
- Communicated with media and through Receiver website: [www.guamsolidwastereceiver.org](http://www.guamsolidwastereceiver.org)





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2. SWMD OPERATIONS



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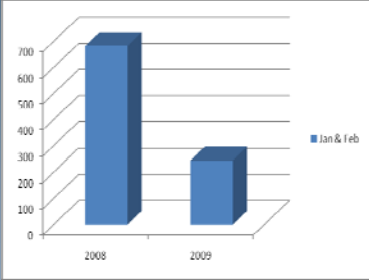
GuamSOLID WASTE RECEIVER

SWMD Operations


Improved Service:

- Residents now accustomed to consistent regular early morning trash collection
- Dramatic, 64% reduction in complaints
- Increase in customers:
  - 12,080 (January 2009)
  - 12,243 (March 16, 2009)

Complaints to the SWMD, Jan./Feb. 2008 and 2009





Year	Complaints (Jan & Feb)
2008	~700
2009	~300



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## SWMD Operations (cont'd)

Improved Efficiencies:


- 73 highly productive SWMD employees, down from 99 in March 2008
- Consolidated administrative section, locating SWMD staff in one building
- Reorganized files
- Result:
  - Improved customer service and greater efficiency
  - Improved staff morale



Old customer service offices




Reorganized customer service offices



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## SWMD Operations (cont'd)

Improved Service:

- Transfer Stations now open Thursday – Monday in response to Mayors' and residents' suggestions
  - Receiver is considering closing Odot Dump on Sun.
- Proper waste management is minimizing flies, odors leaving Odot Dump; no fires





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## SWMD Operations (cont'd)



**Improved Efficiencies:**



- Reduced dependence on rental equipment:  
\$11,000/day, April 2008  
\$464/day this quarter
- Installation of new scales to be completed during April
- Residents continue to use recycling facilities at Agat, Dededo, Malojoj and Ordot Dump
  - Glass is pulverized and used as an alternative daily cover at the Dump
  - Cardboard is recycled through a local processor



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## 3. TRASH CART ROLLOUT



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## Court-approved Option: Basic Services

- ✓ SWMD customer households receive one or more rolling trash carts for waste
- ✓ Monthly charge based on number of carts
- ✓ All non-recyclable waste goes in carts
- ✓ Recyclables go to convenience centers

**Least costly option; allows Guam to build a solid foundation for achieving higher recycling levels in the future**



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## Procurement Update

- Trash carts and cart lifters for trucks
  - Procurement released and bids received April 14
- “Babypacker” trucks for special collection routes –
  - Bids due April 17
- Additional roll-off recycling containers
  - Just ordered
- Customer service software and Radio Frequency Identification Devices (RFID)
  - Procurement underway





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## Guam SOLID WASTE RECEIVER



### New Account Management System

- The Problem
  - SWMD collects weekly from 15,900 households (HH)
  - SWMD cannot match customer accounts with collection addresses for 4,000 of these HH
  - Only 12,080 HH are invoiced for service
- Result:
  - 4,000 HH receive free service
  - 4,000 HH accounts don't match with addresses
  - SWMD does not collect sufficient revenues to cover costs of daily operations
- With new system
  - Registration for all customers
  - Verification of physical addresses
  - System to accurately track collections
  - New software for accurate billing



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## Guam SOLID WASTE RECEIVER

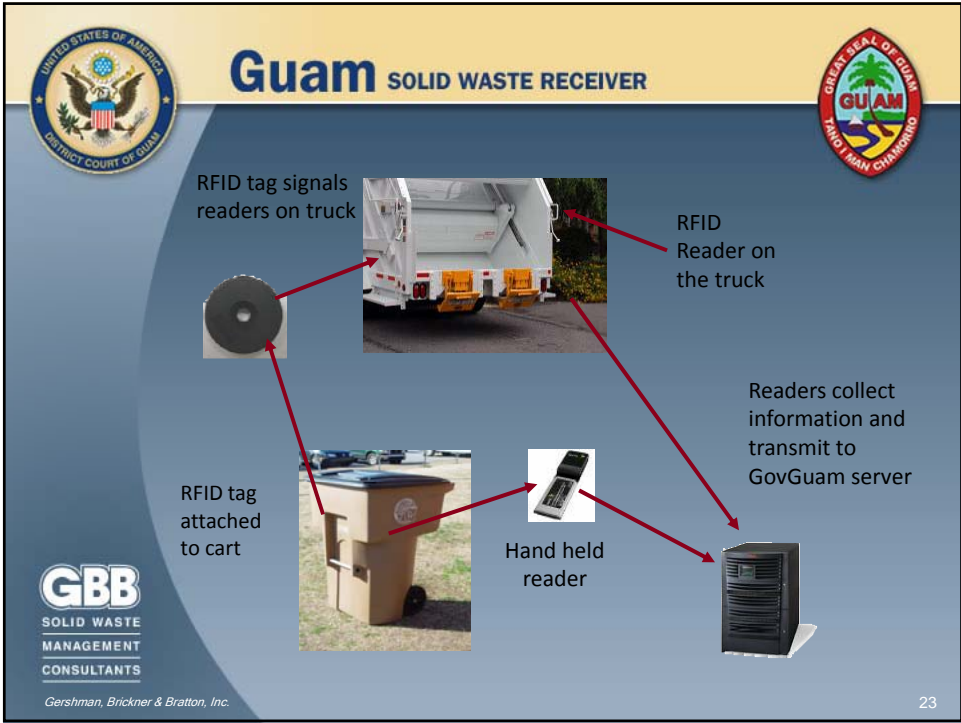
### How Do RFID Tags Work?

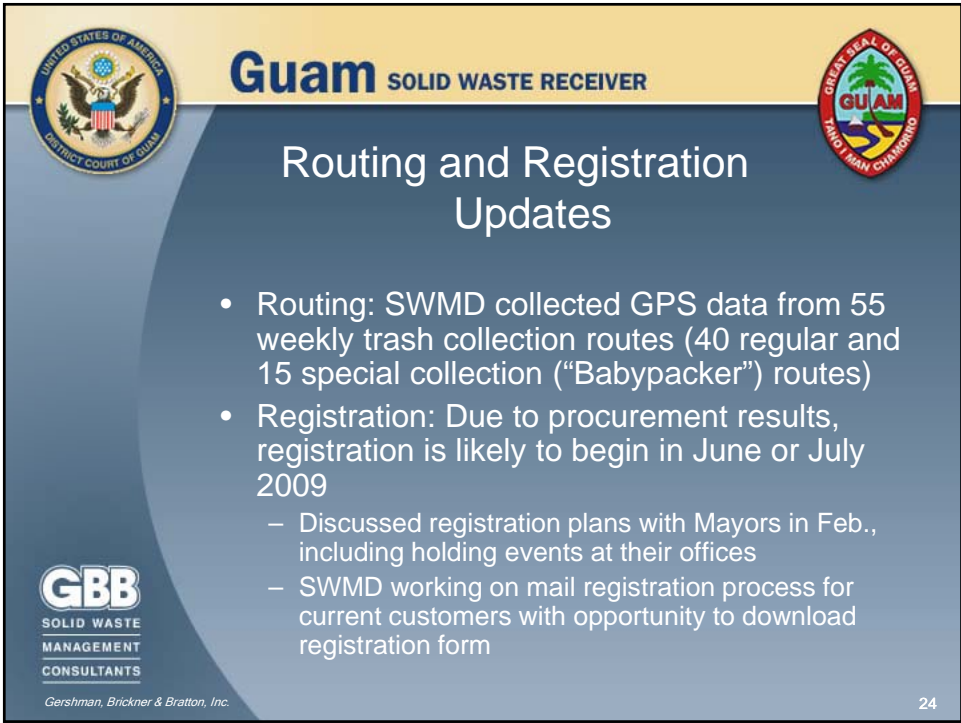
- Radio Frequency Identification Device tags are placed on carts at the cart factory with the serial number of that particular cart
- SWMD matches the cart number to the RFID tag
- Scanning antenna on collection truck activates tag through radio-frequency signals
- Radio-frequency signals power the tag to communicate to an electronic reader



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**Guam SOLID WASTE RECEIVER**



**Routing and Registration Updates**

- Routing: SWMD collected GPS data from 55 weekly trash collection routes (40 regular and 15 special collection (“Babypacker”) routes)
- Registration: Due to procurement results, registration is likely to begin in June or July 2009
  - Discussed registration plans with Mayors in Feb., including holding events at their offices
  - SWMD working on mail registration process for current customers with opportunity to download registration form

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## Guam SOLID WASTE RECEIVER

### Community Outreach

- Feb./March 2009 - Discussions held with:
  - Guam's Mayors
  - Three small groups of residents
  - Members of business, environmental and school communities
- Purpose:
  - Describe plans for trash cart rollout
  - Obtain candid feedback/opinions



Small group discussion in Hagatna Heights



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## Guam SOLID WASTE RECEIVER

### Timeline for Cart Rollout

**Phase 1. Infrastructure Development Now Completed**  
(Included procurements, GPS routing, customer meetings and draft public education materials)

**Phase 2. Deliveries and Implementation**  
May 2009 – June 2009 (dependent on procurement results)

Activities summary:

- Cart delivery and staging
- Truck deliveries, attaching lifters
- Delivery of products for billing and customer service
- Training customer service personnel on new billing products/software
- Media relations and publicity about the registration process
- Public education materials finalized and printed



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## Timeline for Cart Rollout (cont'd)

**Phase 3. Registration and Service**  
**June 2009 – November 2009 (dependent on procurement results)**



Activities summary:

- Finalize registration form
- Mail registration forms to customers
- Develop registration procedures and sequence of Villages to be registered
- Meet with each of 19 Mayors a week before registration in his/her Village
- Registrations in each Village
- Cart deliveries approximately one week after registration is completed in each Village
- Media relations to publicize cart deliveries



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## 5. LAYON LANDFILL CONSENT DECREE PROJECTS



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## Layon Landfill Design

- Continued to work closely with Guam EPA, U.S. EPA and TG Engineers, PC
- Progress made (overview):
  - GEPA reviewed and commented on the Solid Waste Facility Permit application re-submittal
  - GEPA and EPA reviewed and commented on design for landfill liner systems and entrance facilities (Phase II)
  - Receiver submitted design of sewer line for leachate management for review by GWA and GEPA.
  - Receiver initiated Leachate Treatment Feasibility Study for the Inarajan Wastewater Treatment Plant



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## Project Schedule Updates

Task	Estimated Completion Date (October Report)	Revised Estimated Completion Date	Actual Completion Date
GEPA Clearing & Grading Permit	1/2/09		12/23/08
DPW Building Permit	1/2/09		1/13/09
Earthwork Construction Cells 1 & 2	7/6/09	9/22/09	
Landfill Liner System Pre-Final Design	12/24/08		2/05/09
Bid Review & Award (Landfill Liner System)	4/30/09	8/7/09	
Permit Phase (Landfill Liner System)	4/30/09	8/29/09	
Construction Phase (Cell 1)	9/1/10	9/1/10	
Construction Phase (Cell 2)	7/26/11	7/26/11	



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## Permitting

### Receiver's Activities:

- Responded to GEPA and EPA's preliminary review comments on the Solid Waste Facility Permit application
- Developed a revised permit processing schedule to give GEPA more time to prepare a draft permit and TG Engineers ample time to respond
  - April 20, 2009: Deadline for addressing and incorporating GEPA's comments
  - April 29, 2009: Anticipate GEPA to issue letter of Technical Adequacy
  - August 27, 2009: Target date for Notice of Decision
- Assisted TG Engineers, PC, in permit requirements for mass earthwork for the operations road and Cells 1 & 2
- Received GEPA's final approval of Integrated Hydrogeologic Assessment with its groundwater monitoring model



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## Construction

### Activities:

- Completed bid phase and awarded construction contract for Cells 1 & 2
- Began construction on Feb. 25, 2009
- Contractor mobilized to the site through March 11, 2009



Operations road



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## Construction (cont'd)



View from South at Pond 3A to Cells 1 and 2





Silt fencing

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- Set into place environmental controls (erosion and sediment, wetlands protection, bird surveys)
- Initiated full-time archaeological observation
- Initiated construction management: administration, observation and quality assurance
- Holding weekly construction meetings to track progress

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## 6. FINANCIAL ISSUES

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## Guam SOLID WASTE RECEIVER



### SWMD Operating Expenses

- 29% reduction in payroll and related expenses (Oct. 2008 – Feb. 2009)
  - One collection shift, reduced from three
  - Morale among SWMD employees is high
  - Customer complaints have declined
- 24.2% reduction in non-personnel expenses
  - \$3.8 million savings on rental equipment, now only \$464 per day
  - Improved maintenance of equipment



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## Guam SOLID WASTE RECEIVER



### Revenue and Collections October 2008 – February 2009

- 95.9% of all bills were collected Oct.-Feb. FY2009 v. 76.9% in FY2008 (commercial, residential, government, other)
- Decline in revenue collected from commercial customers, perhaps due to less waste going to the Dump with ban on recyclable material
- Decline in revenue collected from government and "other commercial" customers, perhaps due to collection by large commercial collectors
- Installation of an accurate weigh scale will enable better waste data analysis from commercial and government customers



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Estimated Results for FY2009

Solid Waste Management Division Operating Account  
Estimated Fund Balance  
30-Sep-09  
Unaudited

Elements of Fund Balance	Amount
Fund Balance @ 9/30/08	\$ 86,375
Estimated Revenue FY 2009*	\$4,337,457
Estimated Expenses FY 2009**	\$3,690,484
Excess (Deficit) FY 2009	\$ 646,974
Estimated Fund Balance @ 9/30/09	\$ 733,349

\* Estimated FY 2009 Revenue assumes implementation of the recommended commercial fee of \$155.99 per ton on 7/1/09.



\*\* Estimated expenses assume continuation of the current spending trends for balance of FY 2009.



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Projected Results FY2010-FY2012  
Based on current assumptions

Solid Waste Management Division  
Estimated Results FY 2009 through FY 2012  
(Excludes Depreciation)



Expenditures/Revenue	FY 2009 Estimated Results	FY 2010 Budget	New Facilities Open	
			FY 2011 Budget	FY 2012 Budget
Expenditures:				
Landfill Operations/Transfer Stations	\$ 1,367,405	\$ 1,825,043	\$ 2,820,225	\$ 3,760,300
Residential Trash Collection	\$ 1,837,379	\$ 2,452,306	\$ 3,463,575	\$ 4,618,100
Household Hazardous Waste and Convenience Centers	\$ -	\$ -	\$ 477,525	\$ 636,700
Pilot Curbside Recycling Program	\$ -	\$ -	\$ -	\$ 14,900
Administration	\$ 485,700	\$ 789,589	\$ 743,850	\$ 991,800
Community Information / Public Education and Outreach	\$ -	\$ -	\$ 174,900	\$ 174,900
Debt Service	\$ -	\$ -	\$ -	\$ 5,422,688
Total Expenditures	\$ 3,690,484	\$ 5,066,938	\$ 7,680,075	\$ 15,619,388
Revenue:				
Tipping Fee Revenue (\$155.99 per ton)	\$ 3,198,847	\$ 12,099,052	\$ 12,099,052	\$ 12,099,052
Residential Revenue (\$30.43 per month)	\$ 1,138,610	\$ 5,112,240	\$ 5,112,240	\$ 5,112,240
Total Revenue	\$ 4,337,457	\$ 17,211,292	\$ 17,211,292	\$ 17,211,292
Surplus/(Deficit)	\$ 646,974	\$ 12,144,354	\$ 9,531,217	\$ 1,591,904
Fund Balance	\$ 733,349	\$ 12,877,703	\$ 22,408,920	\$ 24,000,824



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Capital Funding  
As of March 31, 2009

Summary of Trustee Account  
Citibank, N.A., Guam Branch



	Cash Deposits to Date		
Income			
Initial Deposit	\$ 20,000,000.00		
Interest Earnings	\$ 71,206.21		
Additional Deposits	\$ 4,968,500.00		
Total	\$ 25,039,706.21		
Expenditures	Cash Payments to Date	Total Amount Obligated to Date	Balance Remaining
TG Engineers, PC	\$ -	\$ 931,283.00	\$ 931,283.00
Maeda Pacific Corporation	\$ -	\$ 8,360,000.00	\$ 8,360,000.00
Cart Roll-Out	\$ -	\$ 2,318,000.00	\$ 2,318,000.00
Misc	\$ 64,828.25	\$ 64,828.25	\$ -
Bank Charges	\$ -	\$ -	\$ -
	\$ 64,828.25	\$ 11,674,111.25	\$ 11,609,283.00
Cash Balance	\$ 24,974,877.96		
Balance Available for Consent Decree	\$ 13,365,594.96		



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Capital Funding  
Flow of Capital Funds Must Continue to  
Stay on Schedule

Current

- \$20 million bridge loan from Bank of Guam
- Weekly deposits
- Interest on funds

Potential


- Section 30-backed bonds
- USDA loan
- Federal grants



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### Capital Funding (cont'd)

Countdown to Ordot Closure

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DAYS



**Access to needed capital must be maintained either through the weekly payments or by the actual sale of Section 30-backed bonds**

- Any other approach, at this point, will result in delays, which are clearly inconsistent with the Court-approved construction schedule
- Delays would place Guam at great risk of running out of space at the Ordot Dump before Layon Landfill opens



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## Guam SOLID WASTE RECEIVER



### Design Consultant Contracts

- TG Engineers, PC (Landfill design/permitting)
  - \$7,942,673 total contract
  - \$5,532,527 payments as of March 31, 2009
  - \$2,410,146 remaining balance
- Shaw Environmental (Technical assistance)
  - \$367,772 total contract
  - \$263,739 payments as of March 31, 2009
  - \$104,033 remaining balance
- Future: Begin procurement for design firm for closure of Ordot Dump



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## SWMD Compensation Issues

- Since March 2008, SWMD key employees have assumed additional responsibilities and worked additional hours, without compensation, to correct deficiencies
- Trash cart rollout will require this to continue
- The work of these key employees is vital to expeditious implementation of the Consent Decree
- Implement procedures to address this matter ASAP



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## 7. NEXT STEPS



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## Guam SOLID WASTE RECEIVER

### Next Steps

#### Landfill Design, Permitting, Construction

- Finalize solid waste facility permit supporting documents to be issued with GEPA Draft Permit
- Coordinate with Guam Waterworks Authority (GWA) to address rules pertaining to the discharge to the wastewater collection system, as well as GEPA and EPA regulations for leachate management/treatment
- Perform sample collections of leachate and sewage for use in bench scale treatability study



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## Guam SOLID WASTE RECEIVER

### Next Steps

#### Landfill Design, Permitting, Construction (cont'd)

- Finalize Access Road and Utilities design package and issue for a construction bid
- Initiate construction permitting process for Access Road and Utilities
- Develop comprehensive construction management scope of work and issue a Request For Proposal
- Continue construction of operations road, cells, stormwater management pond



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## Guam SOLID WASTE RECEIVER

### Next Steps

#### Capital Funding

- Continue to assist Government of Guam as requested with bond, USDA loans and federal grants

#### Implement Trash Cart System

- Initiate interim commercial rates and develop a strategy for implementation of interim residential rates for review and approval by the court
- Take delivery of carts and stage at the coral pit
- Take delivery of Babypacker trucks, attach lifters
- Take delivery of products for billing and customer service
- Train customer service personnel on new billing products/software
- Conduct media relations and publicity about the registration process



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## Guam SOLID WASTE RECEIVER

### Next Steps

#### Implement Trash Cart System (cont'd)

- Finalize and print public education materials
- Mail registration form to current customers and post on website
- Develop registration procedures and sequence of villages to be registered
- Hold meetings with each of 19 mayors a week before registration in his/her village
- Hold registrations in each village
- Deliver carts to customers about one week after registration
- Conduct media relations to publicize cart deliveries



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SOURCES AND USES OF FUNDS

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Sources:

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Bond Proceeds:

Par Amount	207,885,000.00
Net Original Issue Discount	-3,982.95

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207,881,017.05

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Uses:

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Project Fund Deposits:

\$160 MM Project Fund	156,575,085.58
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Other Fund Deposits:

Debt Service Reserve Fund	16,968,746.25
CAPI Fund	32,256,318.16
	<hr/> 49,225,064.41

Delivery Date Expenses:

Cost of Issuance	1,039,425.00
Underwriter's Discount	<hr/> 1,039,425.00
	2,078,850.00

Other Uses of Funds:

Additional Proceeds	2,017.06
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207,881,017.05

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# BOND SUMMARY STATISTICS

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Dated Date	06/01/2009
Delivery Date	06/01/2009
Last Maturity	12/01/2040
Arbitrage Yield	7.112495%
True Interest Cost (TIC)	7.160481%
Net Interest Cost (NIC)	7.193190%
All-In TIC	7.208856%
Average Coupon	7.147104%
Average Life (years)	21.740
Duration of Issue (years)	10.804
Par Amount	207,885,000.00
Bond Proceeds	207,881,017.05
Total Interest	323,008,175.00
Net Interest	324,051,582.95
Total Debt Service	530,893,175.00
Maximum Annual Debt Service	16,968,746.25
Average Annual Debt Service	16,853,751.59
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	99.498084

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bonds Through 2041	207,885,000.00	99.998	7.147%	21.740	194,577.75
	207,885,000.00			21.740	194,577.75

	TIC	All-In TIC	Arbitrage Yield
Par Value	207,885,000.00	207,885,000.00	207,885,000.00
+ Accrued Interest			
+ Premium (Discount)	-3,982.95	-3,982.95	-3,982.95
- Underwriter's Discount	-1,039,425.00	-1,039,425.00	
- Cost of Issuance Expense		-1,039,425.00	
- Other Amounts			
Target Value	206,841,592.05	205,802,167.05	207,881,017.05
Target Date	06/01/2009	06/01/2009	06/01/2009
Yield	7.160481%	7.208856%	7.112495%

BOND PRICING

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bonds Through 2041:									
	12/01/2011	2,370,000	4.875%	4.870%	100.011				260.70
	12/01/2012	2,485,000	5.200%	5.190%	100.031				770.35
	12/01/2013	2,615,000	5.600%	5.590%	100.039				1,019.85
	12/01/2014	2,760,000	6.000%	5.920%	100.370				10,212.00
	12/01/2015	2,925,000	6.150%	6.120%	100.158				4,621.50
	12/01/2016	3,105,000	6.375%	6.320%	100.324				10,060.20
	12/01/2017	3,305,000	6.500%	6.500%	100.000				
	12/01/2018	3,520,000	6.650%	6.640%	100.069				2,428.80
	12/01/2019	3,755,000	6.750%	6.740%	100.074				2,778.70
	12/01/2020	4,005,000	6.875%	6.820%	100.433				17,341.65
	12/01/2021	4,280,000	7.000%	6.900%	100.784	C 6.905%	12/01/2020	100.000	33,555.20
	12/01/2022	4,580,000	7.000%	6.960%	100.313	C 6.964%	12/01/2020	100.000	14,335.40
	12/01/2023	4,900,000	7.000%	6.990%	100.078	C 6.991%	12/01/2020	100.000	3,822.00
	12/01/2024	5,245,000	7.000%	7.030%	99.719				-14,738.45
	12/01/2025	5,610,000	7.000%	7.060%	99.420				-32,538.00
	12/01/2026	6,005,000	7.000%	7.070%	99.303				-41,854.85
	12/01/2027	6,425,000	7.000%	7.080%	99.181				-52,620.75
	12/01/2028	6,875,000	7.100%	7.100%	100.000				
	12/01/2029	7,360,000	7.100%	7.120%	99.786				-15,750.40
	12/01/2030	7,885,000	7.150%	7.140%	100.077	C 7.143%	12/01/2020	100.000	6,071.45
	12/01/2031	8,450,000	7.150%	7.160%	99.889				-9,379.50
	12/01/2032	9,055,000	7.200%	7.180%	100.154	C 7.186%	12/01/2020	100.000	13,944.70
	12/01/2033	9,705,000	7.200%	7.190%	100.077	C 7.193%	12/01/2020	100.000	7,472.85
	12/01/2034	10,405,000	7.200%	7.200%	100.000				
	12/01/2035	11,155,000	7.200%	7.210%	99.882				-13,162.90
	12/01/2036	11,955,000	7.250%	7.220%	100.231	C 7.231%	12/01/2020	100.000	27,616.05
	12/01/2037	12,825,000	7.250%	7.230%	100.154	C 7.237%	12/01/2020	100.000	19,750.50
	12/01/2038	13,755,000	7.250%	7.250%	100.000				
	12/01/2039	14,750,000	7.250%	7.250%	100.000				
	12/01/2040	15,820,000	7.250%	7.250%	100.000				
		207,885,000							-3,982.95

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BOND PRICING

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Dated Date	06/01/2009	
Delivery Date	06/01/2009	
First Coupon	12/01/2009	
Par Amount	207,885,000.00	
Original Issue Discount	-3,982.95	
Production	207,881,017.05	99.998084%
Underwriter's Discount	-1,039,425.00	-0.500000%
Purchase Price	206,841,592.05	99.498084%
Accrued Interest		
Net Proceeds	206,841,592.05	

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UNDERWRITER'S DISCOUNT

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Underwriter's Discount	\$/1000	Amount
Underwriter's Dis. (\$5/Bond)	5.00	1,039,425.00
	5.00	1,039,425.00

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COST OF ISSUANCE

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Cost of Issuance	\$/1000	Amount
Costs of Issuance (\$5/Bond)	5.00	1,039,425.00
	5.00	1,039,425.00

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**BOND DEBT SERVICE**

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2009			7,298,640.00	7,298,640.00	7,298,640.00
06/01/2010			7,298,640.00	7,298,640.00	
12/01/2010			7,298,640.00	7,298,640.00	14,597,280.00
06/01/2011			7,298,640.00	7,298,640.00	
12/01/2011	2,370,000	4.875%	7,298,640.00	9,668,640.00	16,967,280.00
06/01/2012			7,240,871.25	7,240,871.25	
12/01/2012	2,485,000	5.200%	7,240,871.25	9,725,871.25	16,966,742.50
06/01/2013			7,176,261.25	7,176,261.25	
12/01/2013	2,615,000	5.600%	7,176,261.25	9,791,261.25	16,967,522.50
06/01/2014			7,103,041.25	7,103,041.25	
12/01/2014	2,760,000	6.000%	7,103,041.25	9,863,041.25	16,966,082.50
06/01/2015			7,020,241.25	7,020,241.25	
12/01/2015	2,925,000	6.150%	7,020,241.25	9,945,241.25	16,965,482.50
06/01/2016			6,930,297.50	6,930,297.50	
12/01/2016	3,105,000	6.375%	6,930,297.50	10,035,297.50	16,965,595.00
06/01/2017			6,831,325.63	6,831,325.63	
12/01/2017	3,305,000	6.500%	6,831,325.63	10,136,325.63	16,967,651.25
06/01/2018			6,723,913.13	6,723,913.13	
12/01/2018	3,520,000	6.650%	6,723,913.13	10,243,913.13	16,967,826.25
06/01/2019			6,606,873.13	6,606,873.13	
12/01/2019	3,755,000	6.750%	6,606,873.13	10,361,873.13	16,968,746.25
06/01/2020			6,480,141.88	6,480,141.88	
12/01/2020	4,005,000	6.875%	6,480,141.88	10,485,141.88	16,965,283.75
06/01/2021			6,342,470.00	6,342,470.00	
12/01/2021	4,280,000	7.000%	6,342,470.00	10,622,470.00	16,964,940.00
06/01/2022			6,192,670.00	6,192,670.00	
12/01/2022	4,580,000	7.000%	6,192,670.00	10,772,670.00	16,965,340.00
06/01/2023			6,032,370.00	6,032,370.00	
12/01/2023	4,900,000	7.000%	6,032,370.00	10,932,370.00	16,964,740.00
06/01/2024			5,860,870.00	5,860,870.00	
12/01/2024	5,245,000	7.000%	5,860,870.00	11,105,870.00	16,966,740.00
06/01/2025			5,677,295.00	5,677,295.00	
12/01/2025	5,610,000	7.000%	5,677,295.00	11,287,295.00	16,964,590.00
06/01/2026			5,480,945.00	5,480,945.00	
12/01/2026	6,005,000	7.000%	5,480,945.00	11,485,945.00	16,966,890.00
06/01/2027			5,270,770.00	5,270,770.00	
12/01/2027	6,425,000	7.000%	5,270,770.00	11,695,770.00	16,966,540.00
06/01/2028			5,045,895.00	5,045,895.00	
12/01/2028	6,875,000	7.100%	5,045,895.00	11,920,895.00	16,966,790.00
06/01/2029			4,801,832.50	4,801,832.50	
12/01/2029	7,360,000	7.100%	4,801,832.50	12,161,832.50	16,963,665.00
06/01/2030			4,540,552.50	4,540,552.50	
12/01/2030	7,885,000	7.150%	4,540,552.50	12,425,552.50	16,966,105.00
06/01/2031			4,258,663.75	4,258,663.75	
12/01/2031	8,450,000	7.150%	4,258,663.75	12,708,663.75	16,967,327.50
06/01/2032			3,956,576.25	3,956,576.25	
12/01/2032	9,055,000	7.200%	3,956,576.25	13,011,576.25	16,968,152.50
06/01/2033			3,630,596.25	3,630,596.25	
12/01/2033	9,705,000	7.200%	3,630,596.25	13,335,596.25	16,966,192.50
06/01/2034			3,281,216.25	3,281,216.25	
12/01/2034	10,405,000	7.200%	3,281,216.25	13,686,216.25	16,967,432.50
06/01/2035			2,906,636.25	2,906,636.25	
12/01/2035	11,155,000	7.200%	2,906,636.25	14,061,636.25	16,968,272.50
06/01/2036			2,505,056.25	2,505,056.25	
12/01/2036	11,955,000	7.250%	2,505,056.25	14,460,056.25	16,965,112.50

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BOND DEBT SERVICE

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2037			2,071,687.50	2,071,687.50	
12/01/2037	12,825,000	7.250%	2,071,687.50	14,896,687.50	16,968,375.00
06/01/2038			1,606,781.25	1,606,781.25	
12/01/2038	13,755,000	7.250%	1,606,781.25	15,361,781.25	16,968,562.50
06/01/2039			1,108,162.50	1,108,162.50	
12/01/2039	14,750,000	7.250%	1,108,162.50	15,858,162.50	16,966,325.00
06/01/2040			573,475.00	573,475.00	
12/01/2040	15,820,000	7.250%	573,475.00	16,393,475.00	16,966,950.00
	207,885,000		323,008,175.00	530,893,175.00	530,893,175.00

PROOF OF ARBITRAGE YIELD

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Date	Debt Service	Present Value to 06/01/2009 @ 7.1124948%
12/01/2009	7,298,640.00	7,047,995.83
06/01/2010	7,298,640.00	6,805,959.09
12/01/2010	7,298,640.00	6,572,234.18
06/01/2011	7,298,640.00	6,346,535.68
12/01/2011	9,668,640.00	8,118,650.93
06/01/2012	7,240,871.25	5,871,282.80
12/01/2012	9,725,871.25	7,615,429.22
06/01/2013	7,176,261.25	5,426,100.16
12/01/2013	9,791,261.25	7,149,108.69
06/01/2014	7,103,041.25	5,008,195.73
12/01/2014	9,863,041.25	6,715,394.06
06/01/2015	7,020,241.25	4,615,687.37
12/01/2015	9,945,241.25	6,314,273.17
06/01/2016	6,930,297.50	4,248,969.54
12/01/2016	10,035,297.50	5,941,357.53
06/01/2017	6,831,325.63	3,905,567.23
12/01/2017	10,136,325.63	5,596,073.12
06/01/2018	6,723,913.13	3,584,665.34
12/01/2018	10,243,913.13	5,273,708.31
06/01/2019	6,606,873.13	3,284,504.65
12/01/2019	10,361,873.13	4,974,344.74
06/01/2020	6,480,141.88	3,004,040.75
12/01/2020	10,485,141.88	4,693,743.06
06/01/2021	6,342,470.00	2,741,745.37
12/01/2021	10,622,470.00	4,434,226.83
06/01/2022	6,192,670.00	2,496,284.19
12/01/2022	10,772,670.00	4,193,369.58
06/01/2023	6,032,370.00	2,267,521.70
12/01/2023	10,932,370.00	3,968,272.59
06/01/2024	5,860,870.00	2,054,343.01
12/01/2024	11,105,870.00	3,759,128.33
06/01/2025	5,677,295.00	1,855,665.63
12/01/2025	11,287,295.00	3,562,639.13
06/01/2026	5,480,945.00	1,670,556.23
12/01/2026	11,485,945.00	3,380,617.86
06/01/2027	5,270,770.00	1,498,052.76
12/01/2027	11,695,770.00	3,210,003.90
06/01/2028	5,045,895.00	1,337,330.18
12/01/2028	11,920,895.00	3,050,935.28
06/01/2029	4,801,832.50	1,186,737.96
12/01/2029	12,161,832.50	2,902,488.73
06/01/2030	4,540,552.50	1,046,414.91
12/01/2030	12,425,552.50	2,765,251.42
06/01/2031	4,258,663.75	915,199.90
12/01/2031	12,708,663.75	2,637,340.45
06/01/2032	3,956,576.25	792,883.80
12/01/2032	13,011,576.25	2,517,929.75
06/01/2033	3,630,596.25	678,446.10
12/01/2033	13,335,596.25	2,406,431.63
06/01/2034	3,281,216.25	571,767.73
12/01/2034	13,686,216.25	2,302,989.08
06/01/2035	2,906,636.25	472,305.35
12/01/2035	14,061,636.25	2,206,438.01
06/01/2036	2,505,056.25	379,574.52

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PROOF OF ARBITRAGE YIELD

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Date	Debt Service	Present Value to 06/01/2009 @ 7.1124948%
12/01/2036	14,460,056.25	2,115,793.34
06/01/2037	2,071,687.50	292,719.20
12/01/2037	14,896,687.50	2,032,545.90
06/01/2038	1,606,781.25	211,705.00
12/01/2038	15,361,781.25	1,954,517.77
06/01/2039	1,108,162.50	136,152.37
12/01/2039	15,858,162.50	1,881,474.35
06/01/2040	573,475.00	65,702.76
12/01/2040	16,393,475.00	1,813,693.31
530,893,175.00		207,881,017.05

Proceeds Summary

Delivery date	06/01/2009
Par Value	207,885,000.00
Premium (Discount)	-3,982.95
Target for yield calculation	207,881,017.05

PROJECT FUND

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

\$160 MM Project Fund (PF)

Date	Deposit	Interest @ 2.5%	Principal	Scheduled Draws	Balance
06/01/2009	156,575,085.58		20,000,000.00	20,000,000	136,575,085.58
09/01/2009		850,943.35	19,149,056.65	20,000,000	117,426,028.93
12/01/2009		731,633.43	19,268,366.57	20,000,000	98,157,662.35
03/01/2010		611,580.14	19,388,419.86	20,000,000	78,769,242.49
06/01/2010		490,778.84	19,509,221.16	20,000,000	59,260,021.33
09/01/2010		369,224.89	19,630,775.11	20,000,000	39,629,246.22
12/01/2010		246,913.58	19,753,086.42	20,000,000	19,876,159.80
03/01/2011		123,840.20	19,876,159.80	20,000,000	0.00
	156,575,085.58	3,424,914.42	156,575,085.58	160,000,000	

Average Life (years):	0.8777
Yield To Receipt Date:	2.5000000%
Arbitrage Yield:	7.1124948%
Value of Negative Arbitrage:	5,945,797.75

RESERVE FUND

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Debt Service Reserve Fund (DSRF)

Date	Deposit	Interest @ 7.1124948%	Principal	CAPI Fund	Debt Service	Balance
06/01/2009	16,968,746.25					16,968,746.25
12/01/2009		603,450.59		-603,450.59		16,968,746.25
06/01/2010		603,450.59		-603,450.59		16,968,746.25
12/01/2010		603,450.59		-603,450.59		16,968,746.25
06/01/2011		603,450.59		-603,450.59		16,968,746.25
12/01/2011		603,450.59		-603,450.59		16,968,746.25
06/01/2012		603,450.59			-603,450.59	16,968,746.25
12/01/2012		603,450.59			-603,450.59	16,968,746.25
06/01/2013		603,450.59			-603,450.59	16,968,746.25
12/01/2013		603,450.59			-603,450.59	16,968,746.25
06/01/2014		603,450.59			-603,450.59	16,968,746.25
12/01/2014		603,450.59			-603,450.59	16,968,746.25
06/01/2015		603,450.59			-603,450.59	16,968,746.25
12/01/2015		603,450.59			-603,450.59	16,968,746.25
06/01/2016		603,450.59			-603,450.59	16,968,746.25
12/01/2016		603,450.59			-603,450.59	16,968,746.25
06/01/2017		603,450.59			-603,450.59	16,968,746.25
12/01/2017		603,450.59			-603,450.59	16,968,746.25
06/01/2018		603,450.59			-603,450.59	16,968,746.25
12/01/2018		603,450.59			-603,450.59	16,968,746.25
06/01/2019		603,450.59			-603,450.59	16,968,746.25
12/01/2019		603,450.59			-603,450.59	16,968,746.25
06/01/2020		603,450.59			-603,450.59	16,968,746.25
12/01/2020		603,450.59			-603,450.59	16,968,746.25
06/01/2021		603,450.59			-603,450.59	16,968,746.25
12/01/2021		603,450.59			-603,450.59	16,968,746.25
06/01/2022		603,450.59			-603,450.59	16,968,746.25
12/01/2022		603,450.59			-603,450.59	16,968,746.25
06/01/2023		603,450.59			-603,450.59	16,968,746.25
12/01/2023		603,450.59			-603,450.59	16,968,746.25
06/01/2024		603,450.59			-603,450.59	16,968,746.25
12/01/2024		603,450.59			-603,450.59	16,968,746.25
06/01/2025		603,450.59			-603,450.59	16,968,746.25
12/01/2025		603,450.59			-603,450.59	16,968,746.25
06/01/2026		603,450.59			-603,450.59	16,968,746.25
12/01/2026		603,450.59			-603,450.59	16,968,746.25
06/01/2027		603,450.59			-603,450.59	16,968,746.25
12/01/2027		603,450.59			-603,450.59	16,968,746.25
06/01/2028		603,450.59			-603,450.59	16,968,746.25
12/01/2028		603,450.59			-603,450.59	16,968,746.25
06/01/2029		603,450.59			-603,450.59	16,968,746.25
12/01/2029		603,450.59			-603,450.59	16,968,746.25
06/01/2030		603,450.59			-603,450.59	16,968,746.25
12/01/2030		603,450.59			-603,450.59	16,968,746.25
06/01/2031		603,450.59			-603,450.59	16,968,746.25
12/01/2031		603,450.59			-603,450.59	16,968,746.25
06/01/2032		603,450.59			-603,450.59	16,968,746.25
12/01/2032		603,450.59			-603,450.59	16,968,746.25
06/01/2033		603,450.59			-603,450.59	16,968,746.25
12/01/2033		603,450.59			-603,450.59	16,968,746.25
06/01/2034		603,450.59			-603,450.59	16,968,746.25
12/01/2034		603,450.59			-603,450.59	16,968,746.25

RESERVE FUND

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Debt Service Reserve Fund (DSRF)

Date	Deposit	Interest @ 7.1124948%	Principal	CAPI Fund	Debt Service	Balance
06/01/2035		603,450.59			-603,450.59	16,968,746.25
12/01/2035		603,450.59			-603,450.59	16,968,746.25
06/01/2036		603,450.59			-603,450.59	16,968,746.25
12/01/2036		603,450.59			-603,450.59	16,968,746.25
06/01/2037		603,450.59			-603,450.59	16,968,746.25
12/01/2037		603,450.59			-603,450.59	16,968,746.25
06/01/2038		603,450.59			-603,450.59	16,968,746.25
12/01/2038		603,450.59			-603,450.59	16,968,746.25
06/01/2039		603,450.59			-603,450.59	16,968,746.25
12/01/2039		603,450.59			-603,450.59	16,968,746.25
06/01/2040		603,450.59			-603,450.59	16,968,746.25
12/01/2040		603,450.59	16,968,746.25		-17,572,196.84	
	16,968,746.25	38,017,387.42	16,968,746.25	-3,017,252.97	-51,968,880.70	

Average Life (years): 31.5000  
Yield To Receipt Date: 7.1124948%  
Arbitrage Yield: 7.1124948%



RESERVE FUND

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

CAPI Fund (CAPI)

Date	Deposit	Interest @ 2.5%	Principal	Debt Service Reserve Fund	Scheduled Draws	Balance
06/01/2009	32,256,318.16					32,256,318.16
12/01/2009		403,203.98	6,291,985.43	603,450.59	7,298,640	25,964,332.73
06/01/2010		324,554.16	6,370,635.25	603,450.59	7,298,640	19,593,697.48
12/01/2010		244,921.22	6,450,268.19	603,450.59	7,298,640	13,143,429.30
06/01/2011		164,292.87	6,530,896.54	603,450.59	7,298,640	6,612,532.76
12/01/2011		82,656.66	6,612,532.75	603,450.59	7,298,640	0.01
	32,256,318.16	1,219,628.88	32,256,318.15	3,017,252.97	36,493,200	

Average Life (years):	1.5124
Yield To Receipt Date:	2.5000000%
Arbitrage Yield:	7.1124948%
Value of Negative Arbitrage:	2,075,281.66

NET DEBT SERVICE

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Date	Total Debt Service	General Fund	Debt Service Reserve Fund	CAPI Fund	Net Debt Service
12/01/2009	7,298,640.00			7,298,640	
06/01/2010	7,298,640.00			7,298,640	
12/01/2010	7,298,640.00			7,298,640	
06/01/2011	7,298,640.00			7,298,640	
12/01/2011	9,668,640.00			7,298,640	2,370,000.00
06/01/2012	7,240,871.25		603,450.59		6,637,420.66
12/01/2012	9,725,871.25		603,450.59		9,122,420.66
06/01/2013	7,176,261.25		603,450.59		6,572,810.66
12/01/2013	9,791,261.25		603,450.59		9,187,810.66
06/01/2014	7,103,041.25		603,450.59		6,499,590.66
12/01/2014	9,863,041.25		603,450.59		9,259,590.66
06/01/2015	7,020,241.25		603,450.59		6,416,790.66
12/01/2015	9,945,241.25		603,450.59		9,341,790.66
06/01/2016	6,930,297.50		603,450.59		6,326,846.91
12/01/2016	10,035,297.50		603,450.59		9,431,846.91
06/01/2017	6,831,325.63		603,450.59		6,227,875.03
12/01/2017	10,136,325.63		603,450.59		9,532,875.03
06/01/2018	6,723,913.13		603,450.59		6,120,462.53
12/01/2018	10,243,913.13		603,450.59		9,640,462.53
06/01/2019	6,606,873.13		603,450.59		6,003,422.53
12/01/2019	10,361,873.13		603,450.59		9,758,422.53
06/01/2020	6,480,141.88		603,450.59		5,876,691.28
12/01/2020	10,485,141.88		603,450.59		9,881,691.28
06/01/2021	6,342,470.00		603,450.59		5,739,019.41
12/01/2021	10,622,470.00		603,450.59		10,019,019.41
06/01/2022	6,192,670.00		603,450.59		5,589,219.41
12/01/2022	10,772,670.00		603,450.59		10,169,219.41
06/01/2023	6,032,370.00		603,450.59		5,428,919.41
12/01/2023	10,932,370.00		603,450.59		10,328,919.41
06/01/2024	5,860,870.00		603,450.59		5,257,419.41
12/01/2024	11,105,870.00		603,450.59		10,502,419.41
06/01/2025	5,677,295.00		603,450.59		5,073,844.41
12/01/2025	11,287,295.00		603,450.59		10,683,844.41
06/01/2026	5,480,945.00		603,450.59		4,877,494.41
12/01/2026	11,485,945.00		603,450.59		10,882,494.41
06/01/2027	5,270,770.00		603,450.59		4,667,319.41
12/01/2027	11,695,770.00		603,450.59		11,092,319.41
06/01/2028	5,045,895.00		603,450.59		4,442,444.41
12/01/2028	11,920,895.00		603,450.59		11,317,444.41
06/01/2029	4,801,832.50		603,450.59		4,198,381.91
12/01/2029	12,161,832.50		603,450.59		11,558,381.91
06/01/2030	4,540,552.50		603,450.59		3,937,101.91
12/01/2030	12,425,552.50		603,450.59		11,822,101.91
06/01/2031	4,258,663.75		603,450.59		3,655,213.16
12/01/2031	12,708,663.75		603,450.59		12,105,213.16
06/01/2032	3,956,576.25		603,450.59		3,353,125.66
12/01/2032	13,011,576.25		603,450.59		12,408,125.66
06/01/2033	3,630,596.25		603,450.59		3,027,145.66
12/01/2033	13,335,596.25		603,450.59		12,732,145.66
06/01/2034	3,281,216.25		603,450.59		2,677,765.66
12/01/2034	13,686,216.25		603,450.59		13,082,765.66
06/01/2035	2,906,636.25		603,450.59		2,303,185.66
12/01/2035	14,061,636.25		603,450.59		13,458,185.66
06/01/2036	2,505,056.25		603,450.59		1,901,605.66
12/01/2036	14,460,056.25		603,450.59		13,856,605.66

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NET DEBT SERVICE

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Date	Total Debt Service	General Fund	Debt Service Reserve Fund	CAPI Fund	Net Debt Service
06/01/2037	2,071,687.50		603,450.59		1,468,236.91
12/01/2037	14,896,687.50		603,450.59		14,293,236.91
06/01/2038	1,606,781.25		603,450.59		1,003,330.66
12/01/2038	15,361,781.25		603,450.59		14,758,330.66
06/01/2039	1,108,162.50		603,450.59		504,711.91
12/01/2039	15,858,162.50		603,450.59		15,254,711.91
06/01/2040	573,475.00	-29,975.59	603,450.59		
12/01/2040	16,393,475.00	29,975.59	17,572,196.84		-1,208,697.44
	530,893,175.00	0.00	51,968,880.70	36,493,200	442,431,094.30

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FORMULA VERIFICATION

GUAM Department of Public Works  
\$159 Million New Money Series 30 Year

Component	Formula	Vector	Value
DSRF	Maximum annual Debt Service		16,968,746.25
DSRF	125% of average annual adjusted Debt Service		21,067,189.48
DSRF	10% of Par Amount		20,788,500.00
DSRF	Debt Service Reserve Fund		16,968,746.25
CAPI	Bond Interest through 12/1/2011	V1	

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Date	V1
12/01/2009	7,298,640
06/01/2010	7,298,640
12/01/2010	7,298,640
06/01/2011	7,298,640
12/01/2011	7,298,640
	36,493,200

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## Solid Waste Management Division

### Estimated Results FY 2009 through FY 2019

(Excludes Depreciation)

Expenditures/Revenue	New Facilities Open										
	FY 2009 Estimated Results	FY 2010 Budget	FY 2011 Budget	FY 2012 Budget	FY 2013 Budget	FY 2014 Budget	FY 2015 Budget	FY 2016 Budget	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget
Expenditures:											
Landfill Operations/Transfer Stations	\$ 1,367,405	\$ 1,825,043	\$ 2,820,225	\$ 3,760,300	\$ 3,873,109	\$ 3,989,302	\$ 4,108,981	\$ 4,232,251	\$ 4,359,218	\$ 4,489,995	\$ 4,624,695
Residential Trash Collection	\$ 1,837,379	\$ 2,452,306	\$ 3,463,575	\$ 4,618,100	\$ 4,756,643	\$ 4,899,342	\$ 5,046,323	\$ 5,197,712	\$ 5,353,644	\$ 5,514,253	\$ 5,679,680
Household Hazardous Waste and Transfer Stations	\$ -	\$ -	\$ 477,525	\$ 636,700	\$ 655,801	\$ 675,475	\$ 695,739	\$ 716,611	\$ 738,110	\$ 760,253	\$ 783,061
Pilot Curbside Recycling Program	\$ -	\$ -	\$ -	\$ 14,900	\$ 15,347	\$ 15,807	\$ 16,282	\$ 16,770	\$ 17,273	\$ 17,791	\$ 18,325
Administration	\$ 485,700	\$ 789,589	\$ 743,850	\$ 991,800	\$ 1,021,554	\$ 1,052,201	\$ 1,083,767	\$ 1,116,280	\$ 1,149,768	\$ 1,184,261	\$ 1,219,789
Community Information / Public Education and Outreach	\$ -	\$ -	\$ 174,900	\$ 174,900	\$ 180,147	\$ 185,551	\$ 191,118	\$ 196,851	\$ 202,757	\$ 208,840	\$ 215,105
Debt Service				\$ 5,422,688	\$12,658,007	\$12,652,143	\$12,643,890	\$12,638,091	\$12,631,414	\$12,631,414	\$12,626,633
Total Expenditures	\$ 3,690,484	\$ 5,066,938	\$ 7,680,075	\$ 15,619,388	\$ 23,160,608	\$ 23,469,822	\$ 23,786,100	\$ 24,114,567	\$ 24,452,184	\$ 24,806,807	\$ 25,167,288
Revenue:											
Tipping Fee Revenue (\$155.99 per ton)	\$ 3,198,847	\$ 12,099,052	\$ 12,099,052	\$ 12,099,052	\$ 12,704,005	\$ 13,339,205	\$ 14,006,165	\$ 14,706,474	\$ 15,441,797	\$ 16,213,887	\$ 17,024,582
Residential Revenue (\$30.43 per month)	\$ 1,138,610	\$ 5,112,240	\$ 5,112,240	\$ 5,112,240	\$ 5,367,852	\$ 5,636,245	\$ 5,918,057	\$ 6,213,960	\$ 6,524,658	\$ 6,850,891	\$ 7,193,435
Total Revenue	\$ 4,337,457	\$ 17,211,292	\$ 17,211,292	\$ 17,211,292	\$ 18,071,857	\$ 18,975,450	\$ 19,924,222	\$ 20,920,433	\$ 21,966,455	\$ 23,064,778	\$ 24,218,017
Surplus/(Deficit)	\$ 646,974	\$ 12,144,354	\$ 9,531,217	\$ 1,591,904	\$ (5,088,751)	\$ (4,494,372)	\$ (3,861,877)	\$ (3,194,133)	\$ (2,485,729)	\$ (1,742,029)	\$ (949,271)
Fund Balance	\$ 733,349	\$ 12,877,703	\$ 22,408,920	\$ 24,000,824	\$ 18,912,073	\$ 14,417,701	\$ 10,555,823	\$ 7,361,690	\$ 4,875,961	\$ 3,133,932	\$ 2,184,661

**Assumptions:**

1. The fund balance for FY 2009 includes the estimated fund balance for FY 2008 estimated by the Department of Administration to be \$86,375.
2. Section 30 backed bonds issued in June 2009 with the first debt service due December 1, 2009.
3. Debt service payable each December 1st and June 1st.
4. Debt service through December 1, 2011 is capitalized and paid from the Capitalized Interest Fund (CAPI).
5. Debt service payable by the SWMD is 74.89% of the total debt service with the remainder of debt service attributable to the Ordot Dump closure which is to be paid from Government of Guam tax revenue or grants.
6. Tipping fee revenue includes revenue from government agencies and other commercial customers.
7. Assumes 77,563 tons of trash annually disposed at the new landfill based on measurements of daily space consumption at the Ordot Dump.
8. Assumes new commercial rate of \$155.99 becomes effective July 1, 2009.
9. Residential collection revenue includes self-haulers and assumes 14,000 residential customers with the new monthly rate of \$30.43 to be effective with the roll-out of the new trash cart program estimated completion of roll-out October 1, 2009.
10. Tipping fees and residential service fees are assumed to increase 5% per year for years FY 2013 to FY 2019.

## Summary of Trustee Account

Citibank, N.A. , Guam Branch

	Cash Deposits to Date		
<hr/>			
Income			
Initial Deposit	\$ 20,000,000.00		
Interest Earnings	\$ 71,206.21		
Additional Deposits	\$ 4,968,500.00		
	<hr/>		
Total	\$ 25,039,706.21		
	Cash Payments to Date	Total Amount Obligated to Date	Balance Remaining
<hr/>			
Expenditures			
TG Engineers, PC	\$ -	\$ 931,283.00	\$ 931,283.00
Maeda Pacific Corporation	\$ -	\$ 8,360,000.00	\$ 8,360,000.00
Cart Roll-Out	\$ -	\$ 2,318,000.00	\$ 2,318,000.00
Misc	\$ 64,828.25	\$ 64,828.25	\$ -
Bank Charges	\$ -	\$ -	\$ -
	<hr/>		
	\$ 64,828.25	\$ 11,674,111.25	\$ 11,609,283.00
<b>Cash Balance</b>	\$ 24,974,877.96		
<b>Balance Available for     Consent Decree</b>	\$ 13,365,594.96		

<b>Additional Contributions to the Trustee Account</b>		
Purpose	Amount	Date Paid
Court Ordered Deposit	\$ 3,974,800	3/23/2009
Court Ordered Deposit	\$ 993,700	3/30/2009
<b>Total</b>	<u>\$ 4,968,500</u>	



Interest Earnings for Trustee Account		
Purpose	Amount	Date Paid
Interest income	\$ 21,380.84	1/30/2009
Interest income	\$ 23,008.45	2/27/2009
Interest income	\$ 26,816.92	3/31/2009
Total	<u><u>\$ 71,206.21</u></u>	

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**Miscellaneous Expense**

Purpose	Amount Obligated	Amount	Date Paid	Remaining Obligation	Authority
Building Permit Reimbursement to GBB	\$ 64,828.25	\$ 64,828.25	2/13/2009	\$ -	Order of the District Court dated 2-13-09

## Report

### Community Meetings and Stakeholder Discussions March 1-6, 2009

This report summarizes the findings of three community meetings and seven stakeholder discussions held in Guam, March 1-6, 2009. These meetings were conducted to obtain input from small groups of Guam residents and a select number of Mayors, environmentalists, school officials, business representatives and media regarding GBB's plans for implementing a new, cart-based collection system for customers of the Solid Waste Management Division (SWMD). In addition, several of the meetings laid the groundwork for future collaboration with businesses, the schools and media in order to promote recycling and the new collection system.

#### Community Meetings

GBB, with assistance from the SWMD, organized three community meetings with small groups of Guam residents in the south, central and northern village districts. The Mayors of each of Guam's 19 villages were asked to select one male and one female resident, both SWMD customers and non-customers, to attend the meetings. The following is an overview of the three groups:

##### Group #1: Southern Villages, Tuesday, March 3, 6-8 pm

6 residents of Umatac Village, including Mayor Dean Sanchez

1 resident of Agat Village

3 residents of Merizo Village

3 females, 7 males; meeting was held at the Umatac Community Center

Two of the participants are current SWMD customers; 8 others self-haul their trash to the Ordot Dump.

##### Group #2: Northern Villages, Wednesday, March 4, 6-8 pm

4 residents of Tamuning-Tumon-Harmon Village, including Mayor Francisco C. Blas

3 residents of Chalan Pago-Ordot Village, including Mayor Jessy Gogue

3 residents of Mangilao Village, including Vice Mayor Allan G. Ungacta

1 resident of Barrigada Village: Vice Mayor June U. Blas

4 females, 7 males; meeting was held at the Tamuning Community Center

The majority of participants are current SWMD customers.

##### Group #3: Central Villages, Thursday, March 5, 6-8 pm

2 residents of Piti Nimitz Hill Village

4 residents of Hagatna Heights

4 females, 2 males; meeting was held at the Hagatna Heights Community Center

All participants are current SWMD customers.

**Purpose:** The meetings were designed to better understand residents' attitudes and opinions about current collection services, the registration process for trash collection service, the trash cart, public education materials, and outreach methods, including:

- Opinions about current solid waste services, including level of satisfaction
- Participation in recycling/general opinions about recycling
- General opinions about elements of the new trash collection system
- Opinions about the registration process
- Opinions about the draft brochure, cart hanger and other public education planned for the cart rollout campaign
- Suggestions for best ways to communicate with residents
- Questions about program and service improvements

At each meeting, participants viewed a short slide presentation that described the trash cart roll out plan, completed two worksheets designed to obtain their opinions on various elements of the new system, and engaged in a group discussion led by a GBB representative. They also had a chance to view a trash cart, similar to the one the SWMD will distribute to customers.

#### **Statement of Limitations:**

The discussions that took place in these small groups were exploratory and qualitative in nature. They sought to develop insight and direction, rather than obtain quantitatively precise measures that can be projected to all Guam residents. The discussions provide GBB and the SWMD with unfiltered, candid comments from a segment of current and potential customers, giving valuable insights into residents' beliefs, attitudes, perceptions, and behaviors.

#### **Findings and Verbatim Comments:**

The following comments and representative quotes (edited) emerged during the discussion and in the worksheets residents completed during the sessions. (Note: The group number for each comment is listed in parentheses after the comment.)

##### ***Trash collection and recycling***

To begin each meeting, we first explored residents' attitudes about current trash collection and recycling services.

Residents were divided in their level of satisfaction with current **trash collection services**. While some pointed to inconsistent collection services as well as lids and trash cans thrown to the side of the road after collection, others reported that trash is collected consistently early in the morning and customer service at the SWMD is responsive when problems are reported.

*Sometimes they pick up the trash and sometimes they don't...Sometimes the [trash can] cover is missing or destroyed. (#1)*

*Collection is always precise unless there is a problem. When there is a problem, we contact Solid Waste and they handle it right away. They [trash collectors] do put containers back, unlike the past. (#2)*

*Customers have to put trash out on Thursday nights [because the collection takes place early the next morning]. If the trash [can] is knocked over by dogs, crews don't collect it. The cans get cracked because the crews throw them down. (#3)*

When it comes to **recycling**, residents said they want to recycle and recognized that recycling is a way to extend the life of the Ordot Dump. However, they spoke at length about a number of barriers to recycling participation. They consider the drop-off transfer stations/convenience centers to be inconvenient—too far away and closed on Sundays and Mondays when they are most likely to need to dispose of recyclables and trash. They said that some residents who do not have transportation find it impossible to take recyclables to Agat, Dededo and the Ordot Dump. The current value of recyclables is also a deterrent, since residents don't think these materials are worth the time and effort to recycle. In addition, the convenience centers accept too few materials. Some group residents participate in the I-Recycle school program to recycle aluminum cans, but one resident complained of the need to empty the cans out of plastic bags at the school program. A representative from a Mayor's office said the onus is often on the Mayors to transport recyclable products to the schools and convenience centers. Several residents commented that they would like to have recycling bins at the Mayors' offices.

*There are barriers. Centers are too far way; no transportation. (#1)*

*Permanent recycling containers would be good. I've seen this in the military and it works. (#1)*

*There are too few materials accepted for recycling (#2)*

*Recycling is not an organized effort. It's inconvenient. How can we do it effectively and make it convenient for customers? (#2)*

*It's a good idea to recycle, but we need to be educated. (#2)*

*Recycling is our [the Mayor's] problem. Not everyone has transportation to bring the products to the designated areas. Senior citizens can't do this. These are the problems. Some can handle it and some can't. There are no special rates and pick ups for senior citizens. Currently the Mayors are tasked to do this. (#2)*

*Are there plans to have recycling containers at the Mayors' offices? If so, it would discourage illegal dumping. (#2)*

*One pickup load of cans is worth only \$4.00 and is not worth the time. (#3)*

*There's no transportation to move materials to recycling bins. If we're paying for trash pick up, just give [us] a bin for recycling. (#3)*

*The hours of the transfer stations need to be extended to 7 am to 6 pm, seven days a week. [Residents agreed with this comment, saying that they use weekends to do household cleaning and that's the best time to go to the transfer stations.] (#3)*

*Recycling bins should be made easily available at each Mayor's [office]. (#3)*

*Please extend hours of operation for transfer station. (#3)*

**New services: trash cart**

Residents commented that the new trash carts will be convenient for residents and trash collectors, reduce litter (can't be knocked over by animals) and represent a fresh start for the SWMD. The fact that the carts will be distributed "free" and have lids is appealing. However, residents expressed the fear that the carts might be stolen and that non-customers would use them. A few residents thought they would probably need more than one cart, while others thought the cart would be too big for their needs and suggested a smaller cart (with a reduced fee). Residents questioned whether they should line the carts with plastic bags as they do now with their trash cans, and why trash in the new cart needs to be bagged (we explained answers to these questions).

*It's free and nice. (#1)*

*Some families might need 2-3 carts because they live together (families within families) (#1)*

*We will see more recycling. (#1)*

*It's neater and not likely to be knocked over by animals. (#2)*

*Not everyone needs a huge container. Some may need a medium size. (#2)*

*If everyone recycles, the big carts aren't needed. (#2)*

*More convenient for residents and SW collectors to haul. (#3)*

*It's a good size, perfect for me, but for some of my relatives, one cart wouldn't be enough. (#3)*

*It's sad to say but this culture accepts vandalism to some degree. Vandalism -- that's my concern... The carts also might not be used for trash, but for other purposes, such as collection of water. (#3)*

*It's a good container and one is enough if we recycle. But I'm not sure the carts will withstand the weather here. (#3)*

**Excess trash stickers**

Residents thought the idea of the excess trash stickers is good and fair, but many felt that 2 free stickers per year will not be enough due to the number of parties and fiestas hosted by many families. They wanted to know what the cost of the additional stickers will be and suggested most families will need from 5 to 10 per year, or more. They wondered whether the sticker fee will be the same for any size trash bag, and they expressed the concern that there will be more littering when animals get into the excess trash bags. Several residents noted that the stickers will provide an incentive for residents to reduce their trash. However, if it's not convenient (or too expensive) to purchase the additional stickers, illegal dumping can be expected, they said.

*It's good for big families and parties. (#1)*

*Most residents will need to learn to reduce trash. (#1)*

*What or how convenient will purchase of stickers be? (#2)*

*Trash left in bags might get destroyed by strays. (#2)*

*Two stickers is not enough per year. (#3)*

*On our island, excess trash is definitely occurring in each household. We need at least 5 stickers. (#3)*

### **Collection ban**

While residents generally accepted the reason for the ban on cardboard, vegetative waste and inert materials, they objected to the fact that there are few convenient disposal/recycling options for these materials. They fear that illegal dumping, already a problem in Guam, will increase with the ban.

*If you provide a place for people to dump/recycle these products, you might get a more positive reception. (#1)*

*On our island, when you have to drive from Yigo village to Umatac village it's far. It's too far to take banned products, which leads to illegal dumping. (#1)*

*It protects the environment by reducing trash at the landfill. (#1)*

*People who don't have the means to remove or transport [these materials] will dump them on the side of the road. (#2)*

*Someone should come down to pick up [these materials]. (#2)*

*A new start. I have seen this done in the U.S. (#3)*

*Good practice for residents but it will take some time. (#3)*

*Recycling accessibility [is a problem] and convenience is not easily available. (#3)*

### **Registration**

Residents agreed that holding registration at the Village Mayors' offices will be convenient (much more convenient than the current registration process) and help the Mayors update their village listings. Those who have Internet access would like to be able to register online or at least to download the registration form. Group members who serve as staff in a Mayor's office wanted to ensure that they would not be tasked with registration without assistance from the SWMD. One group member suggested a door-to-door outreach effort would be effective in promoting registrations, with funding to the Mayors to enlist local residents to help with registration. Residents also suggested holding registration at shopping malls and sporting events. Some families might collaborate to register as one account, one resident said. When asked if they plan to register, based on what they learned during the presentation, residents in the northern and central villages said they were more likely to register than did those in the southern villages – but there was a certain hesitation expressed, primarily due to the fees



(discussed below). Residents thought the proposed registration form was easy to understand.

*It helps us from traveling too far from home. More update on residents. (#1)*  
*We could have funding given to the Mayors to enlist people to help with the registration because they know the villagers and the areas. (#1)*

*Solid Waste should get together with Guam Power Authority and Guam Telephone Authority on registrations for rural areas and narrow roads. (#2)*

*If actually as proposed, would be convenient for uses. (#2)*

*I like it! (#3)*

*Registration is convenient for people who work. (#3)*

*Registration online would be outstanding! (#3)*

### **Bulky waste collection**

Residents applauded the future bulky waste collection service as a deterrent to illegal dumping and as an added convenience for SWMD customers. Currently, some Mayors' offices have problems disposing of furniture, couches, beds and mattresses at the locations recommended by Guam EPA, and one said he has been turned away at the Ordot Dump. Residents expressed concerns that this new collection service might be difficult to deliver, given the past record of the SWMD.

*Appliances die out. [Need to] upgrade. (#1)*

*Should help to improve the illegal dumping that occurs. (#2)*

*They say DPW will be the one to collect, but they have transportation issues also. So how could they be able to serve us? (#2)*

*Great idea! You're making it convenient for people. It's good for the handicapped, disabled and elderly. (#2)*

*As long as collectors come and get it! (#3)*

*Less work for the Mayor's office and hoping that constituents don't go out and do illegal dumping. (#3)*

### **Household hazardous waste collection**

Residents also applauded the future HHW collection services as a benefit to the community and the environment and for safety reasons. They said they would like to see the drop-off locations at the Mayor's offices for convenience reasons.

*Good for the community and the environment. (#1)*

*Saves time...less illegal dumping. (#1)*

*If the company is offering the removal of these items for free, then it's great. (#2)*

*Acceptance of these materials should be in every village at no charge. (#2)*

*Good system if it includes car oil. (#2)*

*Drop off should be done at the Mayor's office. (#3)*

*As long as it is every day throughout the year. (#3)*

### **Fees**

The issue of collection fees (described during the presentation as likely to be \$30.43 per month for one cart) raised comments, questions and concerns. While some residents thought the fee was fair and a good, reasonable price, others thought it was too high, especially for elderly, disabled and low income residents. Some suggested a tiered fee structure, based on cart size or amount collected. Others said it would be cheaper to self-haul to the Ordot Dump. Residents questioned how the fee was calculated (we described what factors go into determining the fee).

*\$30 is good because people will be more aware. The fee would make people think. Maybe in the future the rates could be reduced. (#1)*

*It's a little spike from the \$10 currently charge. (#1)*

*Fee may be too costly for those who can't afford it. (#2)*

*Appears to be reasonable, but lower consumption/usage rates should be considered. Tiered fee structure? (#2)*

*A little too expensive for a low income family. (#2)*

*There should be a discount for the elderly and disabled. (#2)*

*Everyone wants to go green, but overall the fees will make people reluctant. (#2)*

*Affordable rate. (#3)*

*The \$30.43 fee is quite expensive. But I understand the fee is 'set.' I don't think the price will go down. (#3)*

### **Public education**

During the slide presentation, residents learned about the Receiver's plans for a public education campaign, and they reviewed color copies of a proposed brochure and cart hanger. They also commented on a list of four campaign slogans and provided suggestions on preferred outreach methods.

#### **General comments on the public education plan:**

*Education is definitely needed. (#1)*

*Make it simple. (#1)*

*You need to really educate the residents on what can be recycled. (#2)*

*The community needs to be made aware of health hazards [from trash]. (#2)*

*We need to involve people in self education. (#2)*

*Approach the senior citizens at senior centers by going there and asking them how they feel. (#2)*

*If there were a bottle bill on Guam, people would hunt for bottles for money and the island would be clean. We need effective and immediate behavior modification. (#2)*

*I think home visits to educate your customers [should be done]. (#3)*

*Not everyone will read information. (#3)*

*There's a need for more outreach, more meetings. (#3)*

*Brochure and cart hanger:*

Residents said they found the brochure to be useful and that the photos and graphics helped explain the text. They noted that the brochure answered questions about where to dispose of banned materials, but several residents questioned why the brochure says trash must be bagged in the carts (we explained that it prevents litter and odors, and makes it easier for the collection crews to lift the bags if the hydraulic lifter does not work). One group member specifically recommended that a "human face" be included in the brochure to make it more relevant to Guam and appealing to residents. When asked whether there should be translated versions of the brochure, the southern group said an English version will suffice, while several members of the central and northern group recommended a Micronesian translation. One northern group member suggested including the most basic information in Chamorro.

As for the cart hanger, several members of the central group suggested it be placed on the door not the cart, because it would be more visible. But most residents agreed that a cart hanger would be a good reinforcement of the information. One group (central villages) would like to see a sticker on the cart with reminders about the banned materials.

*Could you follow up with a TV ad repeating information that's in the brochures? (#1)*

*What if a vehicle is parked near the carts? In the brochure, it would be good to list 'Keep vehicles' away from carts. (#1)*

*There's no 'human interaction' in this brochure. I want to see pictures of people. (#2)*

*The information on the cart hanger needs to be a quick read: What? When? Where? It's information overload. (#2)* But when asked what should be deleted, this resident said, *It's all needed.*

*Place stickers on the carts with graphics of what's not allowed. Do it graphically. (#2)*

*There's a need for more outreach. Give the brochures out more than once. (#3)*

Slogans:

Residents were asked to evaluate and comment on several slogans: Rolling out a clean, green Guam; Guam rolls out: Cleaner, greener; For a cleaner, greener Guam! GovGuam SWMD; and Guam: Cleaner, Greener.

The response to these slogans was lukewarm, with "Guam: Cleaner, Greener" the favorite among residents in the southern and central groups. The northern group preferred "Guam rolls out: Cleaner, greener." Residents suggested finding ways to get residents involved in the process (e.g., holding a school contest or a contest among seniors to come up with a catchy slogan with local appeal). The comment was made to reflect active partnerships in the slogan and in all other campaign materials.

Other slogan suggestions:

Fresh Start Guam

Making Guam Better

Pitch In Guam: Green is clean!

Website:

Few residents were aware of or had visited the Receiver website [www.guamsolidwastereceiver.org](http://www.guamsolidwastereceiver.org), even though the majority of residents we spoke to have Internet access. One group member wanted to know more about GBB (we told residents full information is available on the website and that residents can sign up for email updates).

Registration Form

Residents found the draft registration form to be self-explanatory and thought it would be easy to complete. One group member questioned why a driver's license number is required on the form. Some resident would be interested in being able to complete the form online.

Outreach and Communication Strategies:

Residents suggested the following ways to reach out to the community, encouraging us to "be everywhere!":

- Involve children and the schools with incentives for children of free excess trash stickers, gift certificate, school supplies
- Involve seniors
- Go to sporting events
- Set up tables at the malls and "Pay Less" stores
- Promote through parish bulletins (perhaps with a countdown until registration)
- Advertise in newspapers (PDN, Marianas Variety insert)
- Develop radio ads
- Develop TV ads with local people
- Participate in talk shows (radio and TV)
- Promote in village newsletters, flyers

- Governor and celebrities should follow the collection trucks on the first day (i.e., a media event)
- Conduct outreach door to door

### ***Residents' Questions***

Residents were asked to list their most pressing questions about the current and new systems – many of which we will need to address during the rollout campaign:

- Why does trash in the carts need to be bagged?
- Will there be a weight restriction?
- Do the trash carts need to be lined with a trash bag?
- Who is responsible if the carts are damaged?
- How was the monthly collection fee calculated?
- Will there be discounts for seniors, disabled and low income (e.g., a lifeline rate)?
- Will there be a problem with the trucks and lifting the carts on smaller, narrow streets?
- Will future collection service be government-based?
- Do current customers have to register again?
- Will the disabled be able to register in their homes?
- Why is a driver's license number needed on the registration form?
- Where has this kind of system worked before? How has it worked in other communities?
- Who is GBB?
- Will Mayors still be able to take trash to Ordot for free?
- Why are the Transfer Stations closed on Sundays?
- Can we still take our trash to the Transfer Stations and to the Ordot Dump (e.g., self haul)?
- Who will police the carts?
- If the cart is partially filled, will the charge/fee be the same?
- How many filled trash bags will fit into the cart?
- Can we use any size bag with the excess trash sticker?
- Will excess trash be picked up?
- What level of detail will the RFID tag provide?
- Why can't the fee be \$10 like the current rate?
- Will there be a change in the number of personnel on the collection truck? What happens to the personnel who are no longer on the truck? What is the target date for implementing the new system?
- What will happen to the existing trucks?

## Stakeholder Discussions

The GBB representative held the following meetings:

### 1. Environmental Community

Peggy Denny, I-Recycle (2 meetings)  
Paul Tobiason, Recycling Association of Guam  
Berrie Straatman, RAG  
John Dierking, RAG  
Barbara Dumdga, RAG

### 2. Printers

Janice Flores, Graphic Center, Inc.  
Romy Adca, American Printing  
Jun Distor, Victoria Printing and Graphics, dba island Banners and Signs

### 3. Melissa Savares, Mayor of Dededo Village

### 4. Agnes Perez, Operations Manager, Home Depot Patty Limtiaco, Contract Services Supervisor, Home Depot

### 5. Betty Ann Guerrero, Station Coordinator, KUAM TV (phone meeting)

### 6. Stephen C. Ruder, Ruder Integrated Marketing Strategies

### 7. Sylvia Calvo, School Program Consultant, Guam Public School System

The following are discussion highlights, including plans for collaboration:

- Messaging:
  - “Guam Cleaner and Greener” is a good message that should have broad appeal and works in concert with the re-branding “I am Guam” campaign, currently underway.
  - Emphasize the need to shrink trash/save space at Ordot in all public ed materials.
  - Gardening is a popular activity in Guam; emphasize composting, grasscycling and how to recycle organic materials, including vegetative waste.
  - The fact that recycling is “sanitary” should be emphasized.
  - Emphasize that the new cart system is easy, convenient. People respond to things that are easy to do.
  - The new system is a benefit for the community. People need to be reminded that what they do has an impact on the entire community.
  - Illegal dumping is a huge issue and needs to be addressed.
- New Fees:
  - It would be better if \$30.43 could be made an even number (\$30 or \$31).
  - There should be the option to request a smaller cart and pay a lower fee.
  - How does this fee compare with the fees charged in communities on the mainland? Hard to compare apples and apples, since many U.S. communities offer curbside recycling.
  - Fee should be included in property tax bills, not assessed separately.

- Some residents will want to register with their neighbors as one account and share a cart (and the fee).
  - Illegal burning and dumping may become a bigger problem with the new fees.
- Carts:
  - People who recycle do not need such a large cart. Provide the option of a smaller cart with a reduced fee.
  - Mayors should have carts/bins to collect recyclables from constituents.
- Collection Issues:
  - Since there are no curbs at many residences, roads/streets are narrow and two-way, and residents will roll their carts to the edge of the grass on to the street, trucks will likely block the road during pick ups.
  - Arrange for side-door pick up from the elderly and disabled.
  - Transfer Station/Convenience Centers need to be open on Sundays when people are cleaning. Having the centers closed Sunday and Monday may contribute to illegal dumping.
  - RFID tags are good idea.
  - Bulky waste and HHW services: good idea.
  - Excess tags: How much will they cost?
  - Appliance vendors now deliver appliances and leave the OCC for residents to dispose. With the ban on OCC now extended to residents, SWMD needs to ask these vendors to take the OCC and not leave it to residents to dispose.
- Promotion:
  - People in Guam love games of chance, getting something for free; bingo is big. Consider working with retailers and others to give people opportunities to enter a drawing or get stamps to be redeemed for something (e.g., a compost bin)
  - Composting: Home Depot and other independent hardware stores don't currently carry compost bins. Work with retailers to order compost bins and provide them for a reduced rate as part of a special promotion or drawing.
  - KUAM TV is doing stories on Green Tips.
  - TV spots to promote registration and proper disposal/recycling would be effective.
  - Work through the schools to promote registration.
  - Promote to all Gov Guam employees.
  - Arrange to promote the cart system and registration through Peggy Denny's K-57 "Where We Live" show.
  - Registration could occur at flea markets (Dededo)
  - Public ed materials do not need to be translated. English is fine. There are too many other languages we would need to accommodate.
  - Schools are in need of money so any kind of contest should include a monetary reward.
- Public ed materials (brochure and cart hanger):
  - Brochure and cart hanger look great, appealing.
  - Consider a door hanger instead of a cart hanger.
  - Page 5 of brochure and cart hanger: Add "Recycle aluminum cans through I-Recycle at the schools. [www.irecycleguam.org](http://www.irecycleguam.org)."
  - Waste oil can be recycled into bio-diesel
- Food waste composting; other issues:
  - Piggeries should take food waste as well as shredded paper and OCC.
  - Dept. of Agriculture is looking into this and there is an upcoming training program that Peggy Denny is going to attend. Peggy worked with schools



and others to deliver phone books to pig and other farms for bedding and composting. Northern farmers are more enthusiastic than Southern farmers about using shredded paper.

- Korean company is exploring food waste composting on the island.
- Partnership with Home Depot (HD):
  - **Special drawing for a compost bin.** HD has a number of “Go Green” products, such as CFLs, cleaning products, tankless water heaters and Energy Star appliances. Every time someone purchases one of these, they would be eligible to enter a drawing for a free compost bin, donated by HD.
  - **Composting classes.** HD has “first Saturday” classes and a children’s learning center. These are well attended events, and if we could arrange for a presenter to conduct classes, HD would promote them. They can accommodate as many classes as we want to conduct.
  - **Pallet giveaways.** HD has untreated wood pallets that they would offer for free for constructing compost bins. Need to resolve issue of whether pallet bins might contribute to termites infestations.
  - **Composting/grasscycling flyer with info. on HD as a source for materials.** A flyer at registration that gives more detailed instructions and sources for materials.
  - **Posters.** If we could create a poster that includes the trash collection “dos and don’ts” that are in the draft brochure, HD would post it in the learning centers.
  - People are asking for recycling bins at HD, in anticipation of the materials ban. They are stocking up on bins.
  - Issue of appliance deliveries. Residents are asking the appliance delivery crews to take back corrugated cardboard, but HD is not happy about it. They do it anyway.
  - What about Christmas trees? HD sells the trees and residents have asked HD to take them after the holidays, but HD doesn’t do it. Need to promote where this material goes.
  - Illegal dumping is a huge concern.
- Partnership with KUAM TV:
  - **Series of segments on Think Green, KUAM CareForce.** This is a segment that airs every Monday.
  - **Top of the Mind** on KUAM.com. Did you know.....[facts about trash collection and solid waste in Guam...visit [www.kuam.com](http://www.kuam.com)]
  - **TV ad.**
- Partnership with Guam Public School System:
  - **Contest.** Contests are big in the schools (EPA had a fish naming contest). Work through superintendent to arrange any contest. Slogan contest for younger kids, or a song or poster contest. Video contest for teens.
  - **Curriculum.** Schools would be open to a grade level-appropriate recycling curriculum with activity sheets. Again, work through the superintendent.
  - **Flyers to encourage registration.** GPSS would be willing to do this. Work through superintendent.
  - **Private schools.** Involve them and work through the Archdiocese.
  - Translate public ed materials in Chuukese and Chamorro. Chuuk has a consulate on Guam.